



CENTRAL GOVERNMENT

# FINANCE ACCOUNTS

1938-39

AND THE

# AUDIT REPORT

1940



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**FINANCE ACCOUNTS OF THE CENTRAL GOVERNMENT FOR THE YEAR  
1938-39 AND THE REPORT OF THE AUDITOR GENERAL OF INDIA.**

*Certificate of the Auditor General of India.*

This compilation containing the Finance Accounts of the Central Government for the year 1938-39 and the report of the Auditor General of India presents the accounts of the receipts and outgoings of the Central Government for the year, together with a report on the financial results disclosed by the different accounts and other data coming under examination, that is to say, both the revenue and capital accounts, the accounts of the Public debt and the liabilities and assets of the Central Government as deduced from the balances recorded in its books and other information. It supplements the reports of the Auditor General of India on the accounts of the audited expenditure of the Government for the year, separately presented in the form of Appropriation Accounts for each Grant. In compliance with Section 169 of the Government of India Act, 1935, the Auditor General's report on the accounts of the Government of India is submitted by the Auditor General to the Government of India to be laid before the Legislature.

The accounts for 1938-39, both the Finance Accounts and the Appropriation Accounts, have been examined under my direct supervision in accordance with the provisions of the Government of India (Audit and Accounts) Order, 1936. Likewise, as prescribed by Section 170 of the Government of India Act, 1935, the accounts of transactions of the Government in the United Kingdom have been audited by the Auditor of Indian Home Accounts under general superintendence. It is to be noted that the Auditor-General's responsibility for the audit of the accounts of the Government does not extend in the audit of the accounts of revenue, but I am satisfied on the best information available that the accounts of revenue included in the Finance Accounts herewith presented give a correct statement of the sums brought to account. Subject to these observations and also to those contained in the detailed reports which follow and in the reports on the Appropriation Accounts, the accounts now presented are correct statements of the receipts and outgoings of the Central Government for the year 1938-39.

NEW DELHI ;

*The 24th February, 1940.*

E. BURDON,

*Auditor General of India.*

**A.—GENERAL FINANCE ACCOUNTS.****I.—REPORT.****INTRODUCTORY.**

1. *Main Divisions of Accounts.*—There are four main divisions of Government accounts :—

- (1) Revenue.
- (2) Capital.
- (3) Debt.
- (4) Remittance.

The first division deals with receipts from taxation and other sources of revenue and the expenditure therefrom, the net result of which represents the revenue surplus or deficit for the year. The second division deals with expenditure met usually from borrowed funds with the object either of increasing concrete assets of material character, or of reducing future recurring liabilities, such as those for future pensions, by payment of the capitalised value. It also includes receipts of capital nature which can properly be applied as set-off to capital expenditure. The third division comprises receipts and payments in respect of which Government incurs a liability to repay the money received or has a claim to recover the amounts paid, together with repayments of the former and recoveries of the latter. The fourth and last division embraces all merely adjusting heads: e.g. cash remittances from one treasury to another, transfers between different accounting circles and remittances between India and England. Credits and debits taken under the adjusting heads in the first instance are cleared eventually by adjustment under balancing heads.

The transactions included in these accounts represent mainly the actual cash receipts and disbursements during the financial year April to March, distinguished from amounts due to or by Government during the same period. The cash basis system is, however, not entirely suitable for recording the transactions, and presenting the true state of affairs of Government Commercial undertakings run on commercial principles. The detailed accounts of this class of undertakings are therefore, maintained outside the regular accounts in proper commercial form and these accounts are subjected to a suitable check by the Indian Audit Department.

2. *Sections and Heads of Accounts.*—Within each of the four divisions mentioned above, the transactions are grouped into Sections which are further subdivided into Major Heads of Accounts. The Sections are distinguished by letters of the alphabet, a single letter denoting the Revenue portion and a double letter denoting the Capital portion of a particular category of transactions, e.g., Section 'A' denotes the Revenue (and Expenditure) grouped as 'Principal Heads of Revenue' and Section 'AA' denotes the Capital Expenditure on works connected therewith. The Major Heads in the Revenue and Capital divisions are numbered serially, Roman numerals being employed on the receipt side and Arabic on the disbursement side. No numbering is adopted for Debt and Remittance heads, though these are also arranged in Sections.

The Major Heads are sub-divided into Minor Heads and the Minor Heads into Sub-heads and Detailed heads. Under each of these heads, the expenditure is shown distributed between non-voted and voted. The Major and Minor Heads and the heads prescribed for the classification of expenditure in the general accounts are necessarily identical with the Grants, Sub-heads and other units of allotments which are selected by the Finance Department for the Demands for Grants and the Appropriation Accounts; but in general, a certain degree of correlation is maintained between the Demands for Grants and the Appropriation Accounts on the one hand and the Finance Accounts on the other.

3. *Balances and Reserves.*—The accounts work from balance to balance, these balances working up to the general cash balances, which are kept partly in treasuries in India and partly in the Bank of England, London, while the rest is deposited with the Reserve Bank of India. Apart from these cash balances are the Cash Balance Investment Account and other special Reserves invested outside the general cash balance of Government.

# FINANCE ACCOUNTS. CENTRAL GOVERNMENT.

(Throughout this part of the report the amounts shown represent thousands of rupees unless the contrary is specifically indicated.)

## SUMMARY OF THE TRANSACTIONS OF THE YEAR UNDER REPORT (1938-39.)

4. A summary of the detailed transactions during the year under report as compared with the Budget for the year is given in the subjoined statement.

Receipts.	1	Budget		Disbursements.		Budget		Actuals		More (+) Less (-).
		Estimates 1938-39.	Actuals 1938-39.	Estimates 1938-39.	Actuals 1938-39.	Estimates 1938-39.	Actuals 1938-39.	Estimates 1938-39.	Actuals 1938-39.	
		2	3	4	5	6	7	8		
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		
<b>REVENUE.</b>										
<b>Principal Heads of Revenue—</b>										
Customs ..	..	43,81,00	40,50,53	-3,30,47						
Central Excise Duties ..	..	7,76,00	8,65,73	+89,73						
Corporation Tax ..	..	1,55,00	2,03,72	+48,72						
Taxes on Income other than Corporation Tax ..	..	12,42,34	13,74,44	+1,32,10						
Salt ..	..	8,35,00	8,12,04	-22,96						
Opium ..	..	44,92	50,89	+5,97						
Other heads ..	..	1,06,57	1,03,20	-3,37						
<b>Total Principal Heads</b>	<b>..</b>	<b>75,40,83</b>	<b>74,60,55</b>	<b>-80,28</b>						
<b>Railways—Net Receipts</b>										
Irrigation—Net Receipts ..	..	32,57,41	31,30,09	-1,27,32						
Posts and Telegraphs—Net Receipts ..	..	1,02	87	-15						
Debt Services ..	..	74,61	92,43	+17,82						
Civil Administration ..	..	66,33	73,74	+7,41						
Currency and Mint ..	..	99,99	1,05,02	+5,03						
Civil Works and Miscellaneous Public Improvements ..	..	66,94	58,17	-8,77						
Miscellaneous ..	..	30,90	32,23	+1,33						
Defence Services ..	..	1,54,86	1,58,33	+3,47						
	..	5,59,69	5,88,90	+29,21						
<b>Extraordinary Items ..</b>										
	..	3,75,14	4,06,35	+31,21						
<b>EXPENDITURE.</b>										
<b>Direct Demands on the Revenue ..</b>										
	..					4,33,35	4,23,50			-9,85
<b>Railways—Interest and Miscellaneous Charges ..</b>										
	..					30,01,75	29,92,77			-8,98
Irrigation ..	..					10,18	9,80			-38
Posts and Telegraphs ..	..					74,36	73,45			-91
Debt Services ..	..					14,62,32	14,12,29			-50,03
Civil Administration ..	..					11,31,18	10,89,71			-41,47
Currency and Mint ..	..					37,43	35,75			-1,68
Civil Works and Miscellaneous Public Improvements ..	..					3,12,36	2,51,72			-60,64
Miscellaneous ..	..					3,57,45	3,62,24			+4,79
Defence Services ..	..					50,77,69	52,06,90			+1,29,21
<b>Contributions and Miscellaneous Adjustments between Central and Provincial Governments ..</b>										
	..					3,04,82	3,06,33			+151
Extraordinary Items ..	..					1,88	1,18			-70



## Revenue.

The actual fall in the revenue receipts, as compared with the budget estimates, was 1,51,62, but a portion of this deficiency was made good by the transfer from the Revenue Reserve Fund of 30,58 more than was originally provided for. The net decrease of 1,21,04 was the result of increases and decreases under various heads. It will be observed from the summary of the more important variations given below that Customs and Railways were together responsible for a deterioration of 4,58 lakhs.

*Decreases.*

Customs	..	..	3,30,47	Fall in imports due to depressed condition of trade mainly, (Sind 1,66,06 and Bombay 1,72,62).
Salt	..	..	22,96	Smaller demand for salt, owing partly to the extensive use of the Salt Law Concessions (Madras 10,85 and Bombay 14,69).
Other heads	..	..	3,37	Fall in Land Revenue due to paucity of rain, smaller sale of lands in Delhi and less receipts from court fees realised in stamps.
Railways—Net Receipts	..	..	1,27,32	Increase of working expenses, due to increased cost, and more consumption of coal, more expenditure on repairs to locomotives (1 crore), heavy maintenance charges of electrical installations, etc. (1/4 crore) and more repairs to staff quarters, flood damages, etc. (1/4 crore), partly counterbalanced by increased traffic receipts under goods and sundry earnings.
Currency and Mint	..	..	8,77	Mainly due to larger withdrawal of nickel coins from circulation, partly counterbalanced by increase in the Government's share of the Reserve Bank's profits.

*Increases.*

Central Excise Duties	..	..	89,73	Mainly, increased receipt from duty on motor spirit and kerosine due to expansion of oil fields (Punjab 19,43), on sugar on account of disposal of stock for fear of increase in duty next year (United Provinces 41,92), on matches and sugar (Bombay 16,39, Bengal 15,07).
Corporation Tax	..	..	48,72	} Assessments based on income of 1937-38 which was comparatively prosperous.
Taxes on Income other than Corporation tax	..	..	1,32,10	
Opium	..	..	5,97	Increased sale of Neemuch Ball opium.
Posts and Telegraphs—Net Receipts			17,82	Reduction of working expenses to effect economy (31,60) partly counterbalanced by fall in receipts (11,09) resulting from changes in the programme of Capital works and other causes, and increase in pensionary charges (2,69).
Debt Services	..	..	7,41	Mainly recovery of interest on the loan repaid by Dhrangadhira State (Bombay 2,24), payment of arrear interest by Chittagong Port Fund (Bengal 1,78) and increased interest on Silver Redemption Reserve holdings (England 2,02).
Civil Administration	..	..	5,03	Mainly due to increase in the activities of the Government Test House of the Indian Stores Department, larger sales of cholera vaccines and increased receipts from fumigation of American cotton.

Miscellaneous .. ..	3,47	Mainly due to increased receipts from sale of land under the Bombay Military Land Scheme (13,73) partly set off by the conversion of the anticipated net gain by exchange on Remittance transactions into a loss (8,00) and smaller stationery receipts.
Defence Services .. ..	29,21	Increased receipts for stores supplied to other Governments and larger transfers from Land Sales Suspense Account for financing works in the Quetta Reconstruction Project.
Extraordinary Items .. ..	31,21	Larger transfer from Revenue Reserve Fund (30,58) and receipts in connection with the sale of Currency Building in Bombay (70).

### Expenditure.

The total expenditure within the Revenue account was less than the Budget estimates by 48,01, inspite of the heavy increase (1,29,21) shown by the Defence Services. The total Capital expenditure outside the Revenue account was also less than the Budget estimates by 63,40. The savings on the expenditure side under Revenue and Capital, thus amounted to 1,11,41 and, to a large extent, neutralised the effect of the fall in Revenue (1,21,04). The savings were largely the result of various measures of economy undertaken in all departments with a view to achieve equilibrium. The more important of the variations in expenditure are explained below :—

### Decreases.

Direct Demands on the Revenue ..	9,85	Decreases under various heads, mainly, Customs (2,51), Taxes on Income other than Corporation Tax (3,55), Salt (3,37) and Stamps (2,13)—chiefly due to economy measures, counterbalanced by small excesses under other heads.
Railways—Interest and miscellaneous charges.	8,98	Ignoring factors counterbalancing one another, the drop was due chiefly, to less purchase of land for subsidised Railways (5,00) and less miscellaneous Railway expenditure on account of pensionary charges (2,50).
Debt Services .. ..	50,03	Smaller payment of bonus on cash certificates (50,00), reduction in the rate of interest on Post Office Savings Bank Deposits (23,00) partly set off by discount on larger issue of Treasury bills.
Civil Administration .. ..	41,47	Spread over a large number of heads—mainly due to economy measures.
Civil Works and Miscellaneous Public Improvements.	60,64	Postponement of schemes as a measure of economy and smaller block grant to Road Fund due to decrease in receipts.
Capital expenditure within the Revenue Account.	8,88	Postponement of less urgent works and increased recoveries from Provincial Governments for commuted value of pensions.



Capital Outlay outside the Revenue account.	63,40	Postponement of less urgent works due to economy, Vizagapatam Harbour 3,64; Posts and Telegraphs 9,40; Initial expenditure on New Capital at Delhi 5,87; and less expenditure in Railways 39,30 due to postponement and cancellation of works, changes in programme, revision of estimates, delay in sanctions to estimates, etc. (1 crore), assets abandoned without replacement or replaced by different types and adjustment on account of the write back of expenditure between Capital and Depreciation Fund or Revenue ( $\frac{1}{2}$ crore), construction of a new line having been commenced later than anticipated and that of another not having been taken up owing to the terms of guarantee not being settled ( $\frac{1}{2}$ crore), partly counterbalanced by increase in the balances of stores and manufacture suspense and additional works found necessary during the year ( $1\frac{1}{2}$ crores).
<i>Increases.</i>		
Miscellaneous .. ..	4,79	Mainly due to net loss by exchange on Remittance sterling transactions where gain was anticipated.
Defence Services .. ..	1,29,21	Improved conditions of service for British soldiers, continuance of operations in Waziristan partly counterbalanced by savings due to release of certain British troops and economics.
<b>Debt, Deposit, etc., Heads.</b> (Increases +, Decreases—.)		
Public Debt—		
Receipts .. ..	.. +71,41,95	
Disbursements .. ..	.. +68,34,71	
Net receipts .. ..	.. + 3,07,24	The net increase is due to additional short term loans in the form of Treasury Bills issued during the year and not discharged (3,29,00) counterbalanced by larger reduction of permanent Rupee Debt by cash discharge or conversion (21,75). See also paragraph 10 for details of loan floated and repaid during the year.
Unfunded Debt—		
Receipts .. ..	.. +3,70,04	
Disbursements .. ..	.. +3,30,76	
Net receipts .. ..	.. +39,28	Mainly, the net effect of greater sale of cash certificates (2,71,03) and heavier withdrawals from Savings Bank deposits than originally anticipated (2,25,96).
Deposits and Advances—		
Receipts .. ..	.. +1,53,26	
Disbursements .. ..	.. +1,45,30	
Net receipts .. ..	.. +7,96	The net increase is the result of increases and decreases under receipts and disbursements relating to various heads, chiefly Defence Department Depreciation Reserve Fund (6,23).
Loans and Advances by the Central Government—		
Receipts .. ..	.. +29,30	
Disbursements .. ..	.. —15,66	
Net receipts .. ..	.. +44,96	Increase under receipts mainly due to prepayment of a portion of the outstanding loan of Bahawalpur State, Punjab (32,85). Decrease under disbursements due to grant of smaller loans to New Delhi Municipal Committee (4,25) and Delhi Improvement Trust (2,00) and non-utilisation of the Reserve (10,00).
Remittances including cash remittances between England and India—		
Receipts .. ..	.. +33,40,87	
Disbursements .. ..	.. +34,82,51	
Net expenditure .. ..	.. +1,41,64	Mainly due to larger net adjustment with Railways.

## REVENUE POSITION OF GOVERNMENT.

## GENERAL REMARKS.

5: The year under review showed a distinct deterioration in the revenue position of the Central Government. The actual revenue receipts for the year—including the whole of the balance in the Revenue Reserve Fund, which was appropriated to meet a part of the deficiency in revenue—amounted to 1,21,07 lakhs and fell short of budget expectations by 1,21 lakhs. The shortage was, in the [main, due to a severe fall in the receipts from Customs Duties (3,31 lakhs), the trade recession proving much sharper than apprehended at the time of framing the budget, and to a fall in the net Railway receipts (1,27 lakhs), compensated, to some extent, by a rise under a few heads, chiefly Central Excise Duties (90 lakhs) and Income Tax, including Corporation Tax (1,81 lakhs). As the trade recession deepened and the Customs revenue continued to decline, special measures of economy were undertaken by Government in order to reduce the deficit as far as possible. Largely as a result of the intensive economy push of the Government, savings to the extent of 1,77 lakhs in the Civil Estimates were achieved, but these were counterbalanced by an increase of 1,29 lakhs under Defence Services. The savings in the Civil Estimates are spread over practically all heads, though the largest reduction appears under Civil Works, owing to the abandonment or postponement of building schemes previously sanctioned. In the result, instead of an anticipated surplus of 9 lakhs, the year actually closed with a deficit of 64 lakhs.

The Railways were expected to make a contribution of 2,55 lakhs to the General Revenues in partial discharge of the contribution of 4,43 lakhs due for the year, but the net surplus actually handed over was 1,37 lakhs. The gross traffic receipts showed a slight improvement, but this was more than offset by an increase in the working expenses, due to heavy repairs to rolling stock, rise in the price of coal and larger consumption of stores. On the other hand, the Posts and Telegraphs Department, the other major commercial concern of the Government, paid to the General Revenues 19 lakhs more than anticipated, the improvement in the position being due to reduction of expenditure following the introduction of various measures of economy in the Department.

The only important increase on the expenditure side occurs under Defence Services, which are responsible for an excess of 1,29 lakhs. This excess was, however, reduced to 1,00 lakhs as the result of a betterment of 29 lakhs in the receipts accruing to the various branches of the Defence Services in the discharge of their functions and taken as a set-off against the Defence charges. The increase in the net expenditure was mainly due to improved conditions of service for British Military personnel consequent on the decision taken by His Majesty's Government and continuance of operations in Waziristan.

## CAPITAL OUTLAY OUTSIDE THE REVENUE ACCOUNT.

## CAPITAL OUTLAY DURING THE YEAR.

6. The following table shows the Capital expenditure outside the Revenue Account during the year 1938-39 :—

Nature of expenditure.	Amount of expenditure.
(1) 67-A.—Construction of State Railways—Commercial .. .. .	2,25,43
(2) 67-B.—Construction of State Railways—Strategic .. .. .	7,90
(3) 67-C.—Capital contributed by Railway companies towards outlay on State Railways (included in 67-A above) .. .. .	4,10,51
(4) 69.—Capital outlay on Posts and Telegraphs .. .. .	2,62,43
(5) 71.—Capital outlay on schemes of Agricultural Improvement and Research—Transfer of Imperial Institute of Agricultural Research from Pusa to Delhi ..	21
(6) 73.—Capital outlay on Vizagapatam Port .. .. .	22
(7) 78.—Initial expenditure on New Capital at Delhi .. .. .	9,88
(8) 83.—Payments of commuted value of pensions .. .. .	—9,08
(9) 85.—Payments to Retrenched Personnel .. .. .	—1
Total .. .. .	9,07,49

The Capital expenditure of 2,33 lakhs under (1) and (2) is the net figure after allowing for credits to Capital on account of assets retired or abandoned, and expenditure transferred from Capital to Depreciation Fund and Revenue ( $\frac{3}{4}$  crore).

The amount against (3) represents debentures raised by company managed railways for expenditure on state lines which were discharged by the Government during the year. The progressive Capital expenditure outside the Revenue Account of the Central Government as recorded under the various major heads up to the end of the year 1938-39 has been shown in statement No. 6 of Part A. II on page 79 and amounted to 7,78 crores.

## GENERAL STATEMENT OF FINANCIAL RESULTS OF COMMERCIAL DEPARTMENTS.

## (i) Railways.

7. The year 1938-39 is the third consecutive year in which Indian State-owned railways have been able to earn a surplus after six years of deficits. After the separation of railway from general finances in 1924-25, railways produced surpluses to the end of the financial year 1929-30. The surplus in 1929-30, however, fell short of the contribution payable to general revenues by about 2 crores. In the six subsequent years ending with 1935-36 there were deficits in working which were met partly by utilizing the available balances in the Railway Reserve Fund and partly by borrowing from the Depreciation Reserve Fund.

During the first seven years of the separation (1924-25 to 1930-31) a total contribution of Rs. 41 $\frac{1}{2}$  crores was paid by Railways to General Revenues. A further contribution of Rs. 4 $\frac{1}{4}$  crores was paid in the years 1937-38 and 1938-39 thus making a total contribution of Rs. 45 $\frac{3}{4}$  crores. The payments made in the last two years represented the actual surpluses of these years and fell short of the full contribution due to general revenues in those years. The amount due to general revenues either on account of postponement during the deficit years or of short payment in the years of inadequate surpluses amounted to Rs. 35 $\frac{1}{4}$  crores at the end of 1938-39. In addition, Railways borrowed Rs. 31 $\frac{1}{2}$  crores from the Depreciation Reserve Fund to

meet the deficits of the less prosperous years. Of this amount, repayment has been made of Rs.  $1\frac{1}{4}$  crores representing the surplus of the year 1936-37. It has been decided that the balance at the end of 1936-37 of the two liabilities, namely, the arrears of contribution to general revenues and the loan taken from the Depreciation Reserve Fund need not be made good before the 1st April, 1940 or before the fixation, under section 187 (1) of the Government of India Act, 1935, of the sum therein referred to, whichever is earlier.

The figures reviewed here exclude the transactions of worked lines.

The gross traffic receipts for 1938-39 amounted to Rs.  $94\frac{1}{2}$  crores and exceeded budget expectations by Rs.  $1\frac{1}{4}$  crore, but fell short of the receipts of the previous year by about half a crore. The increase in the receipts over the estimate occurred mainly under Goods earnings, while the deterioration as compared with the previous year was due partly to intensified road motor competition and partly to the absence of any special factor operating, like the Kumbh Mela at Hardwar, which fell during 1937-38 and was responsible for a heavy increase in passenger traffic.

The revenue expenditure of the year was Rs. 64 crores, which exceeded budget anticipation by Rs.  $1\frac{1}{2}$  crores and the corresponding actuals of the previous year by Rs. 1 crore. The increase was mainly on account of heavy repairs to rolling stock, repairs to damage caused by excessive floods and rise in the price and freight charges of coal.

The net revenue including net miscellaneous receipts was Rs.  $30\frac{3}{4}$  crores and after paying interest charges amounting to Rs.  $29\frac{1}{4}$  crores, there remained a surplus of Rs.  $1\frac{1}{2}$  crores—which was transferred to general revenues in part payment of the contribution due for the year.

The contribution made from Revenue to the Depreciation Reserve Fund during the year was Rs.  $12\frac{1}{2}$  crores and the amount withdrawn from the fund for expenditure on renewals and replacements was about Rs. 7 crores. A sum of Rs. 1,65,236 was invested in the purchase of further stocks of the South Bihar Railway. The balance of the fund at the end of 1938-39 stood at Rs.  $24\frac{3}{4}$  crores against Rs.  $24\frac{3}{4}$  crores anticipated in the budget. This is exclusive of Rs.  $30\frac{1}{4}$  crores, taken from the fund for meeting deficits in previous years and of 42 lakhs lent to Branch Line Companies or invested in shares and stock.

Under Capital—New Construction—budget provision of Rs. 55 lakhs was made chiefly for three new projects, namely, (1) The Sind Right Bank Feeders Railway, involving the purchase of the Larkhana Jacobabad Line, (2) the Khadro-Nawabshah Railway and (3) Pithoro Tando Mithakhan Railway. The actual outlay under the head, however, amounted only to Rs. 6 lakhs. The saving occurred mainly under items (1) and (3), and was due, in the former case, to the non-payment of the purchase price of the Larkhana Jacobabad Line during the year and in the latter, to the non-utilization of the amount provided, owing to failure to reach an agreement, during the year, with the Sind Government on the question of guarantee for the Line.

The open line works programme for 1938-39 provided for an expenditure of Rs.  $10\frac{1}{2}$  crores, of which 4 crores were for track renewals,  $4\frac{1}{4}$  crores for rolling stock, 3 crores for structural works and  $\frac{1}{2}$  crore for bridge work, with reductions of  $\frac{1}{2}$  crore for issue of stores from stock and a crore for credits for released materials. As in the past, it was anticipated that Railways would not be able to work up to this programme and a lump sum cut of Rs.  $1\frac{3}{4}$  crores was applied, reducing the actual provision in the budget to Rs.  $8\frac{3}{4}$  crores. Of this, the amount estimated as debitable to

Capital was Rs.  $2\frac{1}{4}$  crores and that to the Depreciation Reserve Fund, Rs.  $6\frac{1}{2}$  crores. Against this, the actual expenditure was Rs.  $9\frac{1}{3}$  crores, including Rs. 7 crores met out of the Depreciation Reserve Fund; of this, track renewals accounted for Rs.  $4\frac{1}{4}$  crores, rolling stock for Rs.  $3\frac{1}{4}$  crores, structural works for Rs.  $2\frac{1}{2}$  crores, stores suspense for Rs.  $\frac{3}{4}$  crore and credits for released materials for Rs.  $1\frac{1}{4}$  crores.

### (ii) Posts and Telegraphs Department.

8. The original budget of the Department provided for a net receipt of Rs. 74·61 lakhs, which, after payment to the general revenues of interest charges on the progressive capital outlay of the Department, to the extent of Rs. 74·36 lakhs, was expected to yield a surplus of Rs. 25 thousand. Actually, however, the net receipts amounted to Rs. 92·43 lakhs and after payment of the interest charges of Rs. 73·45 lakhs therefrom, there was a surplus of Rs. 18·98 lakhs. As compared with the previous year, the year's surplus showed a big decline of Rs. 38·28 lakhs.

The difference between the anticipated and actual surplus was accounted for by a deterioration under revenue receipts by Rs. 2·76 lakhs and a reduction of expenditure under working expenses by Rs. 20·58 lakhs as also a reduction of interest charges to the extent of Rs. 0·91 lakh. The deterioration under revenue was primarily due to fall in Telegraph Traffic. The reduction under working expenses was mainly the result of measures of economy. The saving under interest charges was primarily due to curtailment of capital outlay and, to a small extent, to a reduction in the rate of interest.

As compared with the corresponding actuals of the previous year the diminution of the surplus by Rs. 38·28 lakhs referred to above resulted from the increase in the receipts by Rs. 17·70 lakhs being more than offset by an increase in expenditure to the extent of Rs. 55·98 lakhs. The increase in revenue receipts was mainly due to (i) a change in the accounts procedure under which the payment of about Rs. 11 lakhs to the Imperial Airways for the carriage of mails, hitherto treated as deduction from revenue, was treated as expenditure; (ii) recoveries amounting to about Rs. 8 lakhs from the Civil Aviation Department and the Ceylon Administration consequent on the introduction of the Empire Air Mail Scheme; and (iii) larger revenue of about Rs.  $8\frac{1}{2}$  lakhs under Telephones and Radios, partially counterbalanced by decreases of about (a) Rs. 5 lakhs in Telegraph receipts, and (b) Rs. 5 lakhs on account of interest paid by the Central Government on the balance of the Posts and Telegraphs Renewals Reserve Fund. Less interest accrued on the Renewals Reserve Fund, as a sum of Rs. 1·02 lakhs was appropriated from the balance thereof (namely, Rs. 2·91 lakhs) at the end of the year 1937-38, towards repayment of the accumulated loss on press traffic amounting to Rs. 2·04 lakhs which had hitherto been borne by the general revenues. The principal items which contributed towards the increase of expenditure were: (1) larger payments to the extent of about Rs. 20 lakhs in connection with the introduction of the Empire Air Mail Scheme, part of which (about Rs. 11 lakhs) represented a change in accounts procedure as mentioned above; (2) larger payments of pensionary charges to the extent of about Rs. 25 lakhs, mainly due to the decision to meet the commuted value of pensions (which was formerly debited to capital in the first instance and then repaid from revenue in small yearly instalments) direct from the revenues of the year; and (3) payment of a sum of Rs.  $8\frac{1}{2}$  lakhs to the general revenues being the first annual instalment fixed for the repayment of the accumulated loss on press traffic.

The year's surplus on the working of the Department, namely, Rs. 18·98 lakhs was also appropriated towards repayment of the balance of the accumulated loss on press traffic. At the close of the year 1938-39 the balance still to be repaid on this account was about Rs. 17 lakhs only.

### (iii) Irrigation.

9. Irrigation works are classified as Productive or Unproductive, according as the net revenue (gross revenue less working expenses) derived from each work on the expiry of ten years from the date of closure of the construction estimate, covers or does not cover the prescribed annual interest charges on the capital invested. The productivity test involves some *pro forma* adjustments which do not appear on the face of the Government Accounts.

#### I.—Productive Works.

The Lloyd Barrage and Canals Construction (Khirtar Branch) irrigates lands in the Nasirabad Section of the Baluchistan territory. The Government of India bears the proportionate share of the capital cost and working expenses incurred by the Government of Sind on the Lloyd Barrage and Canals Construction Scheme. The share is determined on certain agreed formulæ. The irrigation revenues pertaining to the Section are retained as central revenues.

The Nasirabad Section of the Lloyd Barrage Canals Project in Baluchistan which was completed in 1933, is expected to be Productive. The following table summarises the financial results of the Nasirabad Section :—

	1937-38.	1938-39.
(1) Capital outlay to end of the year .. .. .	1,07,97	1,08,25
(2) Gross Receipts .. .. .	3,19	3,01
(3) Working expenses .. .. .	1,90	2,04
(4) Net Revenue excluding interest .. .. .	1,29	97
(5) Interest on Capital .. .. .	5,13	5,08
(6) Net profit (+) or loss (—) .. .. .	—3,84	—4,11
(7) Percentage of profit or loss to Capital Outlay .. .. .	3·56	3·80
	(Loss)	(Loss)

The percentage of loss during 1938-39 is more than that in 1937-38 owing chiefly to increase in working expenses and decrease in revenue.

#### II.—Unproductive Works.

The financial results of the Unproductive Works in the Central Areas are summarised in the following table :—

	Ajmer-Merwara.		Baluchistan.	
	1937-38.	1938-39.	1937-38.	1938-39.
(1) Capital Outlay to end of the year .. .. .	34,56	28,36	35,30	35,33
(2) Gross receipts .. .. .	1,02	80	75	53
(3) Working expenses .. .. .	62	96	72	56
(4) Net Revenue excluding interest .. .. .	40	—16	3	—3
(5) Interest on Capital .. .. .	1,16	95	1,35	1,35
(6) Net profit (+) or loss (—) .. .. .	—76	—1,11	—1,32	—1,38
(7) Percentage of profit or loss to Capital Outlay .. .. .	2·18	3·92	3·75	3·89
	(Loss)	(Loss)	(Loss)	(Loss)

*Ajmer-Merwara.*—These works are all irrigation tanks. Difference in Capital Outlay between 1937-38 and 1938-39 represents the value of tanks transferred to Mewar and Marwar Darbars with the retrocession of certain areas in Merwara to

these states with effect from 1st April, 1938. The same cause also accounts for the decrease in receipts during 1938-39 compared with the year 1937-38. The increase in working expenses is due to expenditure on the execution of works of a remunerative type comprising the repairing and strengthening of tanks in the Sub-Collectorates of Beawar and Ajmer-Merwara.

*Baluchistan.*—The decrease in the gross receipts during 1938-39 compared with the year 1937-38 is mainly due to less storage in the Khusdil Khan Reservoir owing to inadequate rainfall and less cultivation due to the same reason.

### REVIEW OF DEBT POSITION.

#### STATEMENT OF BORROWINGS.

10. The following statement shows the debt position of the Central Government at the beginning and close of the year under review :—

Nature of debt.						On 1st April, 1938.	On 31st March, 1939.	Difference (+ or -).
(1)						(2)	(3)	(4)
<i>Rupee Debt (in lakhs).</i>								
Permanent Debt	..	..	..	..	..	4,38,82	4,38,53	—29
Floating Debt	..	..	..	..	..	38,01	46,30	+8,29
Unfunded Debt	..	..	..	..	..	2,18,10	2,25,13	+7,03
Total Rupee Debt						6,94,93	7,09,96	+15,03
<i>Sterling Debt (in £ 000).</i>								
Permanent Debt	..	..	..	..	..	350,920	348,712	—2,208
Unfunded Debt	..	..	..	..	..	8,941	3,133	—5,808
Total Sterling Debt						359,861	351,845	—8,016
The same converted into Lakhs of Rupees at £ 1 = Rs. 13-1/3						4,79,81	4,69,12	—10,69
Total Debt (Rupee and Sterling)						11,74,74	11,79,08	+4,34
<i>Deduct (in Lakhs)—outstanding Loans and Advances made by the Central Government to Provincial Governments, Indian States, etc...</i>						1,46,52	1,43,99	—2,53
<i>Net Total of Debt, Rupee and Sterling, expressed in Lakhs of Rupees</i>						10,28,22	10,35,09	+6,87

It will be seen from the statement above that there has been an increase of 8,29 lakhs under Floating Debt (India) and a reduction of

29 lakhs under Permanent Debt —Rupee Debt.  
 2,94. " " " " —Sterling Debt.  
 72 " " Unfunded " —(India+7,03, England—7,75).

4,34

There has also been a net reduction of assets of Rs. 2,53 lakhs under " Loans and Advances by the Central Government " (excess of recoveries over disbursements) and the net result has been an increase in the total outstanding debt of the Central Government during the year under review by Rs. 6,87 lakhs.

During the year, the Government of India floated a 3 per cent. combined cash and conversion loan for Rs. 26,31 lakhs repayable between the years 1963 and 1965. Subscriptions were received by tender of cash for Rs. 6,33 lakhs and by tender of



5½ per cent. loan 1938-40 and 5 per cent. loan 1939-44 for Rs. 19,98 lakhs. The actual amount of the two loans converted into the new loan was, however, Rs. 19,08 lakhs as the loans were accepted at a premium. This together with the repayments in cash of a major portion (Rs. 7,47 lakhs) of the 5½ per cent. loan 1938-40 which was later notified for discharge and the normal repayment of other loans in the course of discharge (Rs. 5 lakhs) amounted to Rs. 26,60 lakhs, resulting in the net decrease of Rs. 29 lakhs under Rupee Debt as shown above.

No sterling loan matured for payment during the year, nor was any sterling loan floated. Securities of the India 4½ per cent. Stock 1950-55 of the nominal value of £177,617 were purchased and cancelled during the year, in addition to the normal capital payments on account of the Railway Annuities amounting to £2,030,737, making the total debt discharged £2,208 thousands (Rs. 2,94 lakhs) as shown in the statement.

In India, there was a net receipt of Rs. 7,03 lakhs under Unfunded Debt mainly due to (1) increase in the Post Office Savings Bank Deposits (Rs. 4,38 lakhs) and (2) increase in the balance at the credit of Provident Funds (Rs. 2,79 lakhs) counter-balanced in part by a fall of about 64 lakhs under Postal Cash Certificates.

The reduction of £5,808 thousands (Rs. 7,75 lakhs) under Unfunded Debt in England is mainly due to the transfer of the balances of certain Family Pension Funds in accordance with the provisions of the Government of India (Family Pension Funds) Orders, 1936, to the Commissioners appointed thereunder.

The total of the Treasury Bills outstanding at the end of the year stood at Rs. 46,30 lakhs as against Rs. 38,01 lakhs at the close of the year 1937-38, accounting for the increase of Rs. 8,29 lakhs under Floating Debt (India). The Government had to borrow during the year from the Reserve Bank Rs. 32,50 lakhs as "Ways and Means Advances" compared with Rs. 18,00 lakhs in the previous year. Repayment of these advances was, however, fully made in the course of the year.

The statement below shows how the sum of the increase in the Debt and the net receipts under Deposits and Advances have been utilised :—

<i>Receipts.</i>		<i>Disbursements.</i>	
	Rs.		Rs.
Addition to Debt .. .. .	6,87	To meet Revenue Deficit ..	64
Deposits and Advances (Net)—		Capital expenditure outside the	
Sinking Funds for Central loans	1,37	Revenue Account .. ..	9,07
Other Appropriations .. ..	1,63	Remittances (Net) .. ..	1,40
Depreciation Reserve Fund, Railways	5,46		
Telephone Development Fund ..	2,27		
Purchase and Sales of Silver ..	—4,28		
Revenue Reserve Fund .. ..	—1,06		
Miscellaneous items (Net) .. ..	+68		
	6,07	Addition to Cash Balance ..	(a) 1,83
	12,94		12,94
		(a) Cash Balance on 1st April, 1938 .. ..	11,31
		Cash Balance on 31st March, 1939 .. ..	13,14
		Increase in cash balance ..	1,83



## SERVICE OF DEBT.

## (i) Interest on Debt and Other Obligations.

11. The total amount paid by the Central Government during the year out of its current revenue on account of Interest charges on its debt and on certain other obligations, such as deposits in the Depreciation Reserve and other Reserve Funds of Railways and other commercial departments and undertakings, etc., was Rs. 45,75 lakhs, distributed, broadly, as under :—

	(In lakhs of Rupees.)
(1) Interest on Ordinary Debt (including Floating Debt) .. .. .	35,58
(2) Interest on Unfunded Debt which consists, mainly, of Provident Funds of Government servants, Savings Bank deposits and Post Office Cash Certificates, etc. .. .. .	9,01
(3) Interest on other obligations .. .. .	1,16
	<hr/> 45,75

A substantial portion of the Central Government's debt was incurred for the benefit of Railways and other Commercial Departments and undertakings for financing their capital expenditure and a share of the interest charges is transferred to the debit of these Departments. Similarly, interest paid by the Provincial Governments on the outstanding balances of advances made to them from time to time out of the borrowed money is taken in reduction of the gross interest charges. The total recovery on both these accounts came to Rs. 34,37 lakhs in 1938-39. The details of these charges will be found in account No. 5 of this report.

Taking into account the recoveries mentioned above and also the interest portion of equated payments on account of Commuted value of Pensions which is also taken in reduction of gross interest, the net burden which fell on the Central Civil Estimates during the year under review was roughly Rs. 11,12 lakhs. Against this, the Government received interest on certain accounts which amounted to Rs. 74 lakhs in the year under review. This includes receipts on account of interest (i) on Loans and Advances by the Central Government to other than Provincial Governments (Rs. 46 lakhs), (ii) on Silver Redemption Reserve holdings (Rs. 26 lakhs), and (iii) on India Stocks and Bonds purchased for cancellation (Rs. 0.6 lakhs).

## (ii) Reduction or Avoidance of Debt.

12. Under the Scheme of Debt Redemption originally adopted by the Government of India for five years from 1925-26 to 1929-30 which, with certain minor changes, continued to operate till 1932-33, the annual charge against the Central Revenues for the purpose of making provision for reduction or avoidance of debt was to consist of :—

- (1) a sum of Rs. 4 crores, *plus*
- (2) a sum representing one eightieth of any excess in the total of the debt outstanding at the end of the preceding year over the total outstanding on 31st March, 1923.

This annual charge was, according to the scheme, to be applied towards meeting the following expenditure of an obligatory character involving the actual redemption of debt :—

- (a) Railway Sinking Funds in operation,
- (b) Depreciation Funds of  $1\frac{1}{2}$  per cent. on the existing 5 per cent. Rupee Loans for which Sinking Funds were established,

(c) The Capital portion of the liabilities assumed in respect of the British 5 per cent. War Loan, 1929-47, and

(d) The Capital portion of Railway annuities.

The actual provision in 1924-25, the year before the Scheme was applied; was Rs. 3.78 crores and in 1932-33 the amount had risen to Rs. 6.84 crores. In 1933-34, however, the Government of India, with the concurrence of the Secretary of State for India, decided to reduce the provision for that and the two following years to a round sum of Rs. 3 crores only in view of the strengthening of the general financial position.

This reduced provision was to be regarded as covering the obligatory charges mentioned at (a), (b) and (c) above and a part of (d), i.e., the Capital portion of Railway annuities.

The same amount was provided for in 1936-37. In 1937-38 the amount to be provided was reduced by Rs. 48 lakhs for the reason that in the first year after the introduction of Provincial Autonomy, owing to a change in the dates of payment to suit the convenience of Provinces, the equated instalments paid by the Provincial Governments to liquidate their debt to the Central Government contained a larger amount of capital and a smaller amount of interest.

For the year 1938-39 provision has again been made at Rs. 3 crores.

This sum of Rs. 3 crores has been charged to Revenue during 1938-39 and has been shown in the Appropriation Account of Grant No. 11—Interest on Ordinary Debt and Reduction or Avoidance of Debt against sub-heads O. and P. The details are given below :—

	Rs.	A.	P.
(i) Railway Sinking Funds in operation, £200,000 .. .. .	26,66,666	10	8
(ii) Depreciation Fund of 1½ per cent. on the existing 5 per cent. Rupee Loans for which Sinking Funds have been established—			
(1) 5 per cent. Income-tax free loan, 1945-55 .. . . .	95,04,000	0	0
(2) 5 per cent. Loan, 1939-44 .. .. .	41,67,000	0	0
(iii) Capital portion of Railway annuities £2,030,737-18-9 (converted to Rs. 2,70,76,505-13-4) paid during the year of which a portion only was adjusted against 3 crores after meeting payments at (i) and (ii) above .. . . .	1,36,62,333	5	4
	<hr/>		
	3,00,00,000	0	0

No payment has been made during the year in respect of item (c) above, i.e., annual payment in reduction of India's outstanding liability in respect of the British War Loan.

The amount shown under sub-head O corresponding to item (ii), represents expenditure in India while those under P corresponding to items (i) and (iii) as detailed above, represent expenditure booked in the Secretary of State's Accounts.

All these payments have been examined in audit and found to be in order. The appropriation to the Depreciation Funds of the 5 per cent. Rupee Loans was in accordance with the undertakings given by the Government of India. There were no payments from the funds during the year. It was not necessary to purchase any securities from the Sinking Fund for the 5 per cent. Loan, 1945-55 in accordance with the undertaking given by Government. In regard to the Sinking Fund for the 5 per cent. Loan of 1939-44, it was stipulated that when the balance in the Sinking Fund amounted to more than 5 per cent. of the loan then outstanding, the surplus should be utilised in purchasing in the market other Government Securities which stood below their respective issue prices. During the year under review the market prices of the  $2\frac{3}{4}$  per cent. Loan of 1948-52 and 3 per cent. Loan, 1963-65 were below their issue prices towards the latter period of the year, but no securities of these Loans were purchased as the Government of India considered that the drop was entirely due to the international situation and that buying of the securities would not have helped to keep up the prices. The 1939-44 Loan has been discharged or converted in 1939 and the Sinking Fund closed.

In addition to the amount mentioned above, the following amounts were also debited to Revenue :—

(1) Discount on Loans debited to the major-head "22-Interest on Debt and other obligations"	Rs. 1,15 lakhs.
(2) Writes back of the amounts from the Capital major head "83—Payments of Commuted value of Pensions" and "85—Payments to Retrenched Personnel" to the respective heads in the Revenue Section of the Accounts .. .. .	46 lakhs.
<b>TOTAL ..</b>	<b>1,61 lakhs.</b>

These adjustments virtually amounted to a further appropriation from revenues for reduction or avoidance of debt.

The question of increased provision for reduction or avoidance of debt, more in keeping with the size of the Capital Debt, was raised in the meeting of the Public Accounts Committee in 1936 and again in the Public Accounts Committee's meeting of 1939. The Committee recommended that the Finance Department should examine whether there should not be a separate provision for amortisation of the Railway Debt, once the first quinquennium of the Niemeyer Award is over. The Government of India have stated (November, 1939) that the revision of the scheme is not likely to be taken up actively during war time.

#### LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT.

13. The transactions under this head and the balances outstanding at the beginning and end of the year are given in the following table :—

(1) Heads of account.	(2) Balance on 1st April, 1938.	(3) Advances made in 1938-39.	(4) Total.	(5) Recoveries in 1938- 39.	(6) Balance on 31st March, 1939.
Advances to Provincial Govern- ments .. .. .	1,24,71,58	..	1,24,71,58	1,43,48	1,23,28,10
Advances to Crown Representa- tive for loans to Indian States, etc. .. .. .	..	62	62	1	61
Loans to Indian States .. .. .	12,87,89	..	12,87,89	1,36,38	11,51,51
Loans to Local Funds, etc. .. .. .	8,51,09	78,14	9,29,23	30,23	8,99,00
Loans to Government servants .. .. .	41,72	93	42,65	22,69	19,96
<b>Total ..</b>	<b>1,46,52,28</b>	<b>79,69</b>	<b>1,47,31,97</b>	<b>3,32,79</b>	<b>1,43,99,18</b>



The head "Loans to Major Port Trusts, etc.", includes a payment of Rs. 28,00 to the Cochin Landing and Shipping Dues Fund for purchasing land and Rs. 8,00 to the Chittagong Port Trust. The terms of repayment of an interest free loan of Rs. 3,00 to the former have not yet been settled (December 1939).

There were three cases, involving petty amounts, of writes-off of outstanding balances under "Advances to Cultivators".

*Advances to Government Servants.*—Fresh advances to Government servants for house-building, purchase of conveyances, etc., have been discontinued from 1st April, 1938 and the amount shown under column 3 of the statement represents payments of undrawn balances of advances sanctioned prior to that date.

There were only seven cases, involving a total sum of Rs. 3, of writes-off of principal and interest.

GUARANTEES GIVEN BY THE CENTRAL GOVERNMENT IN RESPECT OF LOANS RAISED BY PROVINCIAL GOVERNMENTS, RAILWAY COMPANIES, LOCAL BODIES, ETC.

14. The statement below shows capital or loans raised by railway companies, not treated as capital contribution by companies towards outlay on State Railways in Government Accounts, on which guarantees have been given by the Government.

Railway.	Particulars of loan.	Rate of interest.	Actual amount of loan raised on which guarantee has been given by Government. Rs.
1. Hardwar-Dehra ..	.. Stock and Shares ..	3%	31,50,000
	.. Debentures ..	4%	5,00,000
2. Fatwa-Islampur ..	.. Share capital loans ..	3½%	11,50,000
		4½%	67,089
		(including ½% commission to Managing Agents).	
	Loans ..	5%	7,50,000
3. Dasghare-Jamalpurganj (Bengal Provincial).	.. Share capital ..	4% of which 3½% guaranteed by Government and ½% by Bengal Provincial Railway.	3,34,000
4. Ahmedpur-Katwa ..	.. Share Capital ..	3½%	17,24,000
	.. Debentures ..	3½%	3,00,000
	Loans, Imperial Bank rate (now 3%) ..		50,705
5. Bankura-Damodar River ..	.. Share Capital ..	3½%	34,00,000
	.. Debentures ..	3½%	4,00,000
	Overdraft, Imperial Bank rate (now 3%) ..		2,10,841
6. Burdwan-Katwa ..	.. Share Capital ..	3½%	17,80,000
	.. Debentures ..	3½%	3,50,000
7. Kalighat-Falta ..	.. Share Capital ..	3½%	19,50,000 (a)
	.. Debentures ..	4½%	3,00,000
	.. Debentures ..	4%	1,50,000
8. Chaparmukh-Silghat ..	.. Share Capital ..	3½%	31,00,000
	.. Loans ..	5%	1,50,000
	.. Loans ..	4%	1,00,000
9. Katakhal-Lala Bazar ..	.. Share Capital ..	3½%	8,91,100
	.. Debentures ..	4%	6,50,000
Total			2,14,57,735

(a) Out of this, Rs. 3,00,000 have been subscribed by the Government of India.

Funds have also been raised by the Secretary of State for railway purposes by the issue, through railway companies working state lines, of ordinary share capital, debenture stock and debentures. The total sterling amount outstanding on 31st March, 1939 and payable in the event of termination of the various contracts was £19,815,248, in addition to £684,580 (nominal value £669,580) in respect of the line leased from the South Bihar Railway Company. Although the interest on these stocks and bonds is, in most cases, guaranteed by Government, they are not in the nature of direct obligations and are not, therefore, included in the Public Debt of the Central Government.

### SUMMARY OF GENERAL FINANCIAL POSITION.

15. Despite the heavy burden which the separation of Burma and the inauguration of Provincial Autonomy imposed on the financial resources of the Government of India they were able to attain budgetary equilibrium in 1937-38. The revenue position of the Government, however, experienced a severe set back in 1938-39. The decline in the receipts from Customs and Railways was much greater than was apprehended and it was primarily due to the vigorous economy campaign of the Government that the actual deficit was narrowed down to Rs. 64 lakhs. In achieving this result the entire balance in the Revenue Reserve Fund, which had been built up out of the revenue surplus of 1935-36, had to be withdrawn to supplement the year's receipts.

Notwithstanding the adverse revenue position, the credit of the Government of India continued to be well maintained and they were able to exercise the option allowed to them of redeeming their 5½ per cent. loan, 1938-40 by placing on the market a combined cash and conversion issue of 3 per cent. 1963-65 stock at Rs. 98 per cent. The issue, which was over subscribed within 5 minutes of the opening of the lists, produced Rs. 26,31 lakhs, of which Rs. 19,98 lakhs represented conversions of 5½ per cent. 1938-40 and 5 per cent. 1939-44 loans. The unconverted part of the 5½ per cent. 1938-40 loan was notified for discharge on October 1st. The rate of interest of the Post Office Savings Bank deposits which had been steadily reduced in recent years underwent a further reduction in December, 1938 from 2 per cent. to 1½ per cent. The effect of the Conversion operations together with the reduction in the rate of interest on Post Office Savings Bank Deposits was a considerable lightening of interest charges of the Government of India. The total net interest paid during the year under review was Rs. 11,12 lakhs as against Rs. 12,48 lakhs paid in 1937-38 and the net amount payable during 1939-40 has been estimated at Rs. 9,66 lakhs.

As shown in the statement in paragraph 10 above the total gross debt of the Government at the close of the year amounted to Rs. 11,79 crores. As against this Rs. 1,44 crores were due from Provincial Governments, Indian States, Local Bodies and others on account of Loans and Advances granted to them. The net debt was thus Rs. 10,35 crores against Rs. 10,28 crores outstanding at the beginning of the year. Paragraph 10 explains how this additional receipt of Rs. 7 crores by increase in the debt has been utilised by Government.

The total net liability, however, of the Government inclusive of the capital contributed by the Railway Companies for the construction of Railways taken over

by the Government amounting to Rs. 30 crores, stands at Rs. 10,65 crores. Out of this total liability, a sum of about Rs. 7,75 crores is invested in interest-yielding assets in Railways, Posts and Telegraphs and Irrigation (Productive) works, which account for about 72·8 per cent. of the total debt of which the largest share is absorbed in Railways. The arrangement made by the Government for the amortisation of their debt has been explained in paragraph 12 above. The statement in account No. 6 of Part A. II shows the total progressive outlay met from borrowed funds.

The cash balance of the Central Government at the end of the year under report stood at Rs. 13,14 lakhs as against Rs. 11,31 lakhs in 1937-38, representing an increase of Rs. 1,83 lakhs.

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**A—GENERAL FINANCE ACCOUNTS**

**PART II—ACCOUNTS.**

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# No. 1.—GENERAL ABSTRACT OF RECEIPTS AND DISBURSEMENTS.

REVENUE—		Receipts.	Actuals for 1938-39.	Disbursements.	Actuals for 1938-39.
		1	2	3	4
Principal Heads of Revenue—			Rs.	EXPENDITURE—	Rs.
Customs	..	..	40,50,53,388	Direct Demands on the Revenue	.. 4,23,50,034
Central Excise Duties	..	..	8,65,72,623		
Corporation Tax	..	..	2,03,72,177		
Taxes on Income other than Corporation Tax	..	..	13,74,43,250		
Salt	..	..	8,12,03,831		
Opium	..	..	50,88,743		
Other Heads	..	..	1,03,20,805		
Total Principal Heads		..	74,60,54,814		
Railways : Net Receipts	..	..	31,30,09,322	Railways : Interest and Miscellaneous charges	.. 29,92,77,192
Irrigation : Net Receipts	..	..	86,925	Irrigation	.. 9,79,901
Posts and Telegraphs : Net Receipts	..	..	92,43,026	Posts and Telegraphs	.. 73,45,227
Debt Services	..	..	73,74,328	Debt Services	.. 14,12,28,775
Civil Administration	..	..	1,05,01,775	Civil Administration	.. 10,89,70,917
Currency and Mint	..	..	58,16,365	Currency and Mint	.. 35,75,302
Civil Works and Miscellaneous Public Improvements..	..	..	32,23,229	Civil Works and Miscellaneous Public Improvements	.. 2,51,71,977
Miscellaneous	..	..	1,58,33,182	Miscellaneous	.. 3,62,23,454
Defence Services	..	..	5,88,90,155	Defence Services	.. 52,06,90,155
Extraordinary Items	..	..	4,06,34,680	Contributions and Miscellaneous Adjustments between Central and Provincial Governments	.. 3,06,32,813
				Extraordinary Items	.. 1,17,500
				Capital expenditure within the Revenue Account (Details by Major Heads are given in Account No. 2)	.. 4,82,155
Total Revenue Receipts (A)		..	1,21,06,67,801	Total Expenditure on Revenue Account (A)	
					.. 1,21,70,45,402

No. 1.—GENERAL ABSTRACT OF RECEIPTS AND DISBURSEMENTS—*conold.*

No. 1.—GENERAL ACCOUNT OF RECEIPTS AND DISBURSEMENTS.									
Receipts.			Actuals for 1938-39.		Disbursements.			Actuals for 1938-39.	
1			2		3			4	
Rs.			Rs.		Rs.			Rs.	
Brought Forward			1,21,06,67,801		Brought Forward			1,21,70,45,402	
					Capital outlay outside the Revenue Account (Details by Major Heads are given in Account No. 2)				
Public Debt incurred..			..		Public Debt discharged			..	
Unfunded Debt incurred			..		Unfunded Debt discharged			..	
Deposits and Advances			..		Deposits and Advances			..	
Loans and Advances by the Central Government			..		Loans and Advances by the Central Government			..	
Remittances			..		Remittances			..	
Transfer of Cash between England and India			..		Transfer of Cash between England and India			..	
Total Receipts			7,72,06,99,992		Total Disbursements			7,70,24,44,843	
Opening balance (B) ..			..		Closing balance (B)			..	
GRAND TOTAL			7,83,38,18,659		GRAND TOTAL			7,83,38,18,659	

(B) Increase of balance during the year Rs. 1,82,55,149.

(A) Revenue Deficit during the year Rs. 63,77,601.

# No. 2.—SUMMARY OF REVENUE AND EXPENDITURE BY MAJOR HEADS.

Heads of Revenue.		Actuals for 1938-39.		Actuals for 1938-39.		Heads of Expenditure.		Actuals for 1938-39.		Actuals for 1938-39.		Heads of Expenditure.		Actuals for 1938-39.		Actuals for 1938-39.	
		1	2	3	4			5	6					7	8		
Heads of Revenue.		Rs.	Rs.	Rs.	Rs.	Heads of Expenditure.		Rs.	Rs.	Heads of Expenditure.		Heads of Expenditure.		Rs.	Rs.	Heads of Expenditure.	
A.—Principal Heads of Revenue—						A.—Direct Demands on the Revenue—				B.—Railway Revenue Account—		B.—Railway Revenue Account—				B.—Railway Revenue Account—	
I.—Customs	..	..	40,50,53,385	..	..	1.—Customs	..	..	..	15.A.—State Railways—	..	15.A.—State Railways—	..	..	..	15.A.—State Railways—	..
II.—Central Excise Duties	..	..	8,65,72,623	..	..	2.—Central Excise Duties	..	..	..	Commercial Lines—	..	Commercial Lines—	..	..	..	Commercial Lines—	..
III.—Corporation Tax	..	..	2,03,72,177	..	..	3.—Corporation Tax	..	..	..	Interest on Debt	..	Interest on Debt	..	..	..	Interest on Debt	..
IV.—Taxes on Income other than Corporation Tax	..	..	13,74,43,250	..	..	4.—Taxes on Income other than Corporation Tax	..	..	..	Interest on Capital Contributed by Companies and Indian States	..	Interest on Capital Contributed by Companies and Indian States	..	..	..	Interest on Capital Contributed by Companies and Indian States	..
V.—Salt	..	..	8,12,03,831	..	..	5.—Salt	..	..	..								
VI.—Opium	..	..	50,88,743	..	..	6.—Opium	..	..	..								
VII.—Land Revenue	..	..	18,46,122	..	..	7.—Land Revenue	..	..	..								
VIII.—Provincial Excise	..	..	25,77,267	..	..	8.—Provincial Excise	..	..	..								
IX.—Stamps	..	..	34,74,048	..	..	9.—Stamps	..	..	..								
X.—Forest	..	..	19,90,617	..	..	10.—Forest	..	..	..								
XI.—Registration	..	..	91,821	..	..	11.—Registration	..	..	..								
XII.—Receipts under Motor Vehicles Acts	..	..	3,40,930	..	..	12.—Charges on account of Motor Vehicles Acts	..	..	..								
Total	..	..	74,60,54,814	..	..	Total	..	..	..								
B.—Railway Revenue Account—						Total				Total		Total				Total	
XV.A.—State Railways—	..	..	..	..	..												
Commercial Lines—	..	..	..	..	..												
Gross Receipts	..	..	98,30,42,191	..	..												
Deduct—	..	..	..	..	..												
Working Expenses	..	..	..	..	..												
Share of surplus profits paid to Indian States and Railway Companies	..	..	..	..	..												
Payments to worked lines	..	..	..	..	..												
Not Receipts	..	..	..	..	..												

No. 2.—SUMMARY OF REVENUE AND EXPENDITURE BY MAJOR HEADS—*contd.*

## FINANCE ACCOUNTS. CENTRAL GOVERNMENT.

Heads of Revenue.	1	Actuals for 1938-39. 2	Rs.	Heads of Expenditure. 3	Actuals for 1938-39.		
					Non-voted. 4	Voted. 5	Total. 6
					Ra.	Ra.	Ra.
<b>XV.B.—State Railways—</b>							
Strategic Lines—							
Gross Receipts ..	..	1,31,68,979		Interest on Debt ..	1,32,27,966	..	1,32,27,966
Deduct—Working expenses ..	..	—1,91,18,536		15.C.—Subsidised Companies ..	..	4,92,842	4,92,842
Not Receipts ..	..	—59,49,557		15.D.—Miscellaneous Railway Expendi- ture—			
XVI.—Subsidised Companies ..	..	15,60,834		Commercial Lines ..	22,66,505	35,25,871	57,92,376
XVI.A.—Railway Miscellaneous Receipts—				15.E.—Miscellaneous Railway Expendi- ture—			
(a) Commercial Lines ..	..	1,23,42,541		Strategic Lines..	9,650	23,118	32,768
(b) Strategic Lines ..	..	10,02,510		Total ..	29,49,71,378	43,05,814	29,92,77,192
Total ..	..	31,30,09,322					
<b>C.—Irrigation, Navigation, Embankment and Drainage Works—</b>							
XVII.—Works for which Capital Ac- counts are kept—				C.—Revenue Account of Irrigation, Naviga- tion, Embankment and Drainage Works—			
Gross Receipts ..	..	4,35,098		17.—Interest on Works for which Capital Accounts are kept ..	7,37,731	..	7,37,731
Deduct—Working Expenses..	..	—3,50,934		18.—Other Revenue Expenditure finan- ced from ordinary revenues ..	1,75,239	60,931	2,42,170
Not Receipts ..	..	78,164					
XVIII.—Works for which no capital ac- counts are kept ..	..	8,761					
Total ..	..	86,925		Total ..	9,12,970	60,931	9,79,901
<b>D.—Posts and Telegraphs—</b>							
XIX.—Posts and Telegraphs—				D.—Posts and Telegraphs Revenue Account—			
Gross Receipts ..	..	11,67,60,801		20.—Posts and Telegraphs—			
Deduct—Working Expenses..	..	—10,75,16,865		Interest on Debt ..	73,45,227	..	73,45,227
Not Receipts ..	..	92,43,026					

E.—Debt Services—		E.—Debt Services—	
XX.—Interest	73,74,328	22.—Interest on Debt and other Obligations—	
		A.—Interest on Ordinary Debt—	
		(i) Rupoo Debt .. ..	10,98,904
		(ii) Sterling Debt .. ..	10,45,858
		B.—Interest on Unfunded Debt ..	74,99,860
		C.—Interest on other Obligations	1,15,72,215
		D.—Transfers—	
		Deduct—Interest transferred to—	
		Railways .. ..	—28,14,79,707
		Irrigation .. ..	—7,37,731
		Posts and Telegraphs .. ..	—73,46,713
		Other Commercial Departments ..	—6,64,392
		Provincial Governments .. ..	—5,35,46,748
		Commuted Value of Pensions ..	—24,50,576
		Total Transfers .. ..	—34,62,25,867
		Net .. ..	10,15,89,153
		23.—Appropriation for Reduction or Avoidance of Debt .. ..	3,00,00,000
		Total .. ..	13,15,89,153

F.—Civil Administration—		F.—Civil Administration—	
XXI.—Administration of Justice ..	2,44,694	25.—General Administration—	
XXII.—Jails and Convict Settlements ..	2,20,640	A.—Heads of Provinces (including Governor General, Executive Council and Ministers) .. ..	29,89,371
XXIII.—Police .. ..	74,076	B.—Legislative Bodies .. ..	62,509
XXIV.—Ports and Pilotage .. ..	21,89,986	C.—Secretariat and Headquarters Establishments .. ..	46,88,347
XXV.—Lighthouses and Lightships ..	9,14,977	E.—District Administration .. ..	8,79,588
XXVI.—Education .. ..	1,91,526		
XXVII.—Medical .. ..	3,44,932		
XXVIII.—Public Health .. ..	4,37,455		

No. 2.—SUMMARY OF REVENUE AND EXPENDITURE BY MAJOR HEADS—*contd.*

Hheads of Revenue.	Actuals for 1938-39. 2 Rs.	Hheads of Expenditure. 3	Actuals for 1938-39.		
			Non-voted. 4 Rs.	Voted. 5 Rs.	Total. 6 Rs.
XXIX.—Agriculture ..	4,00,778	G.—Miscellaneous ..	—1,81,245	1,00,804	—80,441
XXX.—Veterinary ..	5,62,992	H.—Charges in England—			
XXXI.—Co-operation ..	312	A.—Secretary of State for India ..	14,53,405	37,331	14,90,736
XXXII.—Industries ..	23,318	B.—High Commissioner for India ..	16,40,953	17,14,902	33,55,855
XXXIII.—Aviation ..	1,47,644	Total ..	1,15,32,928	71,24,346	1,86,57,274
XXXIV.—Broadcasting ..	7,38,849				
XXXV.—Indian Stores Department ..	21,10,076	26.—Audit ..	9,78,381	89,70,318	98,88,699
XXXVI.—Miscellaneous Departments	18,99,520	27.—Administration of Justice ..	4,75,165	5,04,302	9,79,467
		28.—Jails and Convict Settlements ..	3,47,376	20,42,427	23,89,803
		29.—Police ..	11,95,951	17,42,413	29,38,364
		30.—Ports and Pilotage—			
		A.—Major Ports—			
		(1) Bengal Pilot Service ..	5,57,562	6,90,885	12,54,447
		(2) Other Charges ..	4,22,067	10,63,198	14,85,265
		Total ..	9,79,629	17,60,083	27,39,712
		31.—Lighthouses and Lightships ..	10,076	9,00,093	9,19,169
		32.—Ecclesiastical ..	30,24,900	..	30,24,900
		33.—Payments to Crown Representative	1,26,03,877	..	1,26,03,877
		34.—Tribal Areas ..	1,99,20,471	1	1,99,20,471
		35.—External Affairs ..	63,86,905	..	63,86,905
		36.—Scientific Departments ..	12,94,459	54,14,707	67,09,166
		37.—Education—			
		A.—University ..	..	9,51,308	9,51,308
		B.—Secondary ..	1,25,697	6,22,547	7,48,244

C.—Primary	1,06,105	3,03,814	4,09,919
D.—Special	9,619	58,241	67,860
E.—General	66,431	1,11,064	1,77,495
F.—Charges in England	7,889	15,369	23,258
Total	3,15,741	20,62,343	23,78,084
38.—Medical	6,69,379	15,09,041	21,78,420
39.—Public Health	3,11,642	10,62,967	13,74,609
40.—Agriculture	3,27,027	48,61,106	51,88,133
41.—Veterinary	88,330	7,18,777	8,07,107
42.—Co-operation	140	57,013	57,153
43.—Industries	429	8,48,339	8,48,768
44.—Aviation	13,656	29,70,230	29,83,886
45.—Broadcasting	..	20,56,972	20,56,972
46.—Indian Stores Department	1,14,591	21,94,193	23,08,784
47.—Miscellaneous Departments	2,85,857	13,45,337	16,31,194
Total	6,08,16,910	4,81,54,007	10,89,70,917
G.—Currency and Mint—			
48.—Currency	1,53,237	13,64,429	15,17,666
49.—Mint	1,15,191	19,42,445	20,57,636
Total	2,68,428	33,06,874	35,75,302
H.—Civil Works and Miscellaneous Public Improvements—			
50.—Civil Works	30,58,238	2,21,13,739	2,51,71,977
J.—Miscellaneous—			
54.—Famine	..	14,516	14,516
55.—Superannuation Allowances and Pensions	1,76,87,651	1,04,56,185	2,81,43,836
56.—Stationery and Printing	52,433	52,78,624	53,31,062
57.—Miscellaneous	5,49,657	21,84,383	27,34,040
Total	1,82,89,746	1,79,33,708	3,62,23,454
G.—Currency and Mint—			
XXXVII.—Currency	38,34,191		
XXXVIII.—Mint	19,82,174		
Total	58,16,365		
H.—Civil Works and Miscellaneous Public Improvements—			
XXXIX.—Civil Works	32,23,229		
J.—Miscellaneous—			
XLII.—Receipts from Indian States	60,47,486		
XLIV.—Receipts in aid of Superannuation	7,94,831		
XLV.—Stationery and Printing	23,31,503		
XLVI.—Miscellaneous	66,59,362		
Total	1,58,33,182		



No. 2.—SUMMARY OF REVENUE AND EXPENDITURE BY MAJOR HEADS—*contd.*

Heads of Revenue.	Actuals for 1938-39.	Heads of Expenditure.	Actuals for 1938-39.			
			Non-voted.	Voted.	Total.	
1	2	3	4	5	6	
	Rs.		Rs.	Rs.	Rs.	
<b>K.—Defence Services—</b>		<b>K.—Defence Services—</b>				
XLVII.—Defence Receipts—Effective	5,43,16,294	58.—Defence Services—Effective	43,74,44,602	..	43,74,44,602	
XLVIII.—Defence Receipts—Non-effective	45,73,861	59.—Defence Services—Non-effective	8,56,88,194	..	8,56,88,194	
		60.—Transfers from Defence Reserve Fund	—24,42,641	..	—24,42,641	
Total ..	5,88,90,155	Total ..	52,06,90,155	..	52,06,90,155	
<b>L.—Contributions and Miscellaneous Adjustments between Central and Provincial Governments</b>		<b>L.—Contributions and Miscellaneous Adjustments between Central and Provincial Governments—</b>				
..		61.—Grants-in-aid to Provincial Governments	3,03,00,000	1,71,600	3,04,71,600	
		62.—Miscellaneous adjustments between Central and Provincial Governments..	..	1,61,213	1,61,213	
Total ..	..	Total ..	3,03,00,000	3,32,813	3,06,32,813	
<b>M.—Extraordinary Items—</b>		<b>M.—Extraordinary Items—</b>				
L.I.—Extraordinary Receipts	3,00,54,968	63.—Extraordinary Charges	1,15,089	2,411	1,17,500	
L.II.—Transfers from Revenue Reserve Fund	1,05,79,712					
Total ..	4,06,34,680	Total Revenue Expenditure ..	1,08,19,26,836	13,46,36,421	1,21,65,63,247	

Capital Expenditure within the Revenue Account—

AA.—5-A.—Capital Outlay on Salt Works	..	13,825	13,825
CC.—19.—Construction of Irrigation, Navigation, Embankment and Drainage Works	31,031	..	31,031
DD.—21.—Capital Outlay on Posts and Telegraphs	..	3,95,601	3,95,601
JJ.—55-A.—Commutation of pensions financed from Ordinary Revenues	6,978	34,720	41,698
Total	38,009	4,44,146	4,82,155

Total Expenditure within the Revenue Account. 1,08,19,64,835 13,50,80,567 1,21,70,45,402

Total Revenue .. 1,21,06,67,801

Total Revenue .. .. 1,21,06,67,801

Deficit (—) .. .. —63,77,601

Capital outlay outside the Revenue Account—

BB.—Railway Capital Account—

67-A.—Construction of State Railways—Commercial	71,343	2,24,71,913	2,25,43,256
67-B.—Construction of State Railways—Strategic	37,307	7,52,858	7,90,165
67-C.—Capital contributed by Railway Companies towards outlay on State Railways—			

Discharge of Debentures .. 4,10,50,818 4,10,50,818

DD.—Posts and Telegraphs Capital Account—

69.—Capital Outlay on Posts and Telegraphs .. 2,62,42,804 2,62,42,804

# No. 2.—SUMMARY OF REVENUE AND EXPENDITURE BY MAJOR HEADS—*concl'd.*

## FINANCE ACCOUNTS. CENTRAL GOVERNMENT.

Heads of Revenue. 1	Actuals for 1938-39. 2	Heads of Expenditure. 3	Actuals for 1938-39.			Total. 6
			Non-voted. 4	Voted. 5	Rs.	
	Rs.		Rs.	Rs.	Rs.	Rs.
		FF.—Civil Administration Capital Accounts—				
		71.—Capital Outlay on Schemes of Agricultural Improvement and Research	..	20,389		20,389
		73.—Capital Outlay on Vizagapatam Port .. ..	..	22,072		22,072
		HH.—Civil Works and Miscellaneous Public Improvements—				
		78.—Initial Expenditure on New Capital at Delhi .. ..	..	9,87,869		9,87,869
		JJ.—Miscellaneous Capital Account—				
		83.—Payments of Commuted Value of Pensions .. ..	8,53,324	—17,61,643		—9,08,319
		85.—Payments to Retrenched Personnel .. ..	..	—498		—498
		Total .. ..	4,20,12,792	4,87,35,764		9,07,48,556
Total Revenue ..	1,21,06,07,801	Total Expenditure ..	1,12,59,77,627	18,38,16,331		1,30,77,93,958

## No. 3.—STATEMENT SHOWING THE DISTRIBUTION BETWEEN NON-VOTED AND VOTED EXPENDITURE.

1	Non-voted. 2 Rs.	Voted. 3 Rs.	Total. 4 Rs.
Expenditure charged to Revenue <sup>(a)</sup> .. ..	1,09,29,86,358	93,00,40,585	2,02,30,26,943
Expenditure not charged to Revenue .. ..	4,20,12,792	4,87,35,764	9,07,48,556
Disbursements under Debt, Deposits, etc., treated as expenditure. .. ..	62,000	8,38,42,736	8,39,04,736
Total .. ..	1,13,50,61,150	1,06,26,19,085	2,19,76,80,235

(a) The figures have been arrived at as follows :—

	Non-voted expenditure. Rs.	Voted expenditure. Rs.
Total expenditure as in Account No. 2 .. ..	1,08,19,64,835	13,50,80,567
Add Working Expenses of—		
Railways .. ..	89,55,957	68,91,51,785
Irrigation .. ..	2,60,960	95,974
Posts and Telegraphs .. ..	18,04,606	10,57,12,259
Total .. ..	1,09,29,86,358	93,00,40,585

## No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS.

Heads.	Actuals. for 1938-39. Rs.
<b>A.—Principal Heads of Revenue—</b>	
<b>I.—Customs—</b>	
Sea Customs—	
Imports .. .. .	30,80,12,800
Exports / .. .. .	4,10,06,214
Miscellaneous .. .. .	1,24,747
Land Customs .. .. .	48,59,828
Miscellaneous .. .. .	11,43,900
Receipts in England .. .. .	369
Loss or gain by exchange .. .. .	2
<i>Deduct—</i>	
Share of net proceeds of Export duties assigned to Provinces .. .. .	—2,50,99,960
Refunds and Drawbacks .. .. .	—1,49,04,695
Total	40,50,53,385
<b>II.—Central Excise Duties—</b>	
Excise duty on motor spirits .. .. .	1,24,70,186
Excise duty on kerosene .. .. .	67,84,576
Excise duty on sugar .. .. .	4,23,51,790
Excise duty on matches .. .. .	2,18,06,420
Excise duty on Steel Ingots .. .. .	38,14,743
Miscellaneous .. .. .	33
<i>Deduct—Refunds</i> .. .. .	—6,58,125
Total	8,65,72,623
<b>III.—Corporation Tax—</b>	
Ordinary Collections .. .. .	2,49,39,252
<i>Deduct—Refunds</i> .. .. .	—45,67,075
Total	2,03,72,177
<b>IV.—Taxes on Income other than Corporation Tax—</b>	
Income Tax .. .. .	16,37,98,208
Super Tax .. .. .	1,34,39,228
Miscellaneous .. .. .	69,491
Loss or gain by exchange .. .. .	6
<i>Deduct—</i>	
Share of net proceeds assigned to Provinces .. .. .	—1,50,00,000
Refunds .. .. .	—2,48,63,683
Total	13,74,43,250

No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*contd.*

Heads.	Actuals for 1938-39. Rs.
<b>A.—Principal Heads of Revenue—<i>contd.</i></b>	
<b>V.—Salt—</b>	
Sales of Government salt .. .. .	39,25,431
Excise duty on salt manufactured locally .. .. .	5,42,32,259
Duty on imported salt .. .. .	2,48,10,094
Rents of ware houses .. .. .	1,11,573
Fees and Cesses .. .. .	3,20,331
Dispatch receipts .. .. .	1,95,460
Miscellaneous .. .. .	4,97,342
Receipts in England .. .. .	2,487
Loss or gain by exchange .. .. .	14
<i>Deduct—</i>	
Share of net proceeds assigned to Provinces .. .. .	—21,020
Refunds .. .. .	—28,70,140
Total ..	8,12,03,831
<b>VI.—Opium—</b>	
Sale of Medical Opium .. .. .	11,259
Cost price of Opium sold to Provincial Governments .. .. .	45,53,826
Sale proceeds of Mewar Opium .. .. .	2,12,264
Sale proceeds of Neemuch Ball Opium .. .. .	1,70,492
Miscellaneous .. .. .	93,020
Receipts in England .. .. .	47,741
Loss or gain by exchange .. .. .	141
Total ..	50,88,743
<b>VII.—Land Revenue—</b>	
Ordinary Revenue .. .. .	20,21,908
Moturpha (house-tax) Collections .. .. .	8,980
Rates and cesses on lands .. .. .	846
Recoveries of overpayments .. .. .	241
Collection of payments for services rendered .. .. .	2,028
Miscellaneous .. .. .	1,98,050
<i>Deduct—</i>	
Portion of Land Revenue due to Irrigation .. .. .	—3,51,611
Refunds .. .. .	—34,320
Total ..	18,46,122

No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*contd.*

Heads.	Actuals. for 1938-39.
	Rs.
<b>A.—Principal Heads of Revenue—<i>contd.</i></b>	
<b>VIII.—Provincial Excise—</b>	
Country Spirits .. .. .	11,69,093
Country fermented liquor .. .. .	70,764
Malt liquors .. .. .	56,262
Wines and spirits (foreign liquors other than beer, medicated wines and commercial spirits) .. .. .	2,48,054
Receipts from commercial spirits including denatured spirits and medicated wines	7,578
Opium .. .. .	7,07,785
Duties on medicinal and toilet preparations containing alcohol, opium, etc. ..	22
Hemp and other drugs .. .. .	3,11,770
Fines, confiscations and miscellaneous .. .. .	8,575
Deduct—Refunds .. .. .	- 2,736
<b>Total</b> ..	<b>25,77,267</b>
<b>IX.—Stamps—</b>	
<b>A.—Non-Judicial—</b>	
Sale of stamps .. .. .	5,43,332
Duty on impressing documents .. .. .	40,843
Fines and penalties .. .. .	2,884
Miscellaneous .. .. .	499
Deduct—Refunds .. .. .	- 19,391
<b>Total A.—Non-Judicial</b> ..	<b>5,68,167</b>
<b>B.—Judicial—</b>	
(i) Court fees—	
Court fees realised in stamps .. .. .	5,78,951
(ii) Other receipts—	
Sale of stamps .. .. .	1,18,922
Fines and penalties .. .. .	236
Deduct—Refunds .. .. .	- 14,373
<b>Total B.—Judicial</b> ..	<b>6,83,686</b>
<b>C.—General—</b>	
Security Printing, India—	
Recoveries from different Governments for value of stamps supplied ..	21,82,701
Other receipts .. .. .	39,494
<b>Total C.—General</b> ..	<b>22,22,195</b>
<b>Total</b> ..	<b>34,74,048</b>

No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*concl.*

Heads.	Actuals for 1938-39. Rs.
<b>A.—Principal Heads of Revenue—<i>concl.</i></b>	
<b>X.—Forests—</b>	
Timber and other produce removed from the forests by Government agency	17,57,381
Timber and other produce removed from the forests by consumers and purchasers	37,535
Drift and waif wood and confiscated forest produce .. .. .	4
Revenue from forests not managed by Government .. .. .	12,615
Miscellaneous .. .. .	1,81,713
Loss or gain by exchange .. .. .	1,374
Deduct—Refunds .. .. .	—5
Total ..	19,90,617
<b>XI.—Registration—</b>	
Fees for registering documents .. .. .	73,359
Fees for copies of registered documents .. .. .	14,352
Miscellaneous .. .. .	5,662
Deduct—Refunds .. .. .	—1,552
Total ..	91,821
<b>XII.—Receipts under Motor Vehicles Act—</b>	
Receipts under the Indian Motor Vehicles Act .. .. .	99,654
Receipts under the Provincial Motor Vehicles Taxation Act .. .. .	2,41,186
Fees and other receipts .. .. .	100
Deduct—Refunds .. .. .	—10
Total ..	3,40,930
<b>B.—Railway Revenue Account—</b>	
<b>XV.—A.—State Railways—</b>	
Commercial Lines—	
Gross Receipts—	
Coaching Earnings .. .. .	32,48,05,329
Goods Earnings .. .. .	63,58,46,041
Sundry other Earnings .. .. .	2,12,14,795
Suspense .. .. .	11,76,026
Total Gross Receipts ..	98,30,42,191



No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*contd.*

Heads.	0	Actuals. for 1938-39 Rs.
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B.—Railway Revenue Account—*contd.**Deduct—*

## Working Expenses—

A.—Maintenance of Structural Works	..	..	..	..	—7,45,54,414
B.—Maintenance and supply of Locomotive Power	..	..	..	..	—17,37,84,993
C.—Maintenance of Carriage and Wagon stock	..	..	..	..	—5,69,11,032
D.—Maintenance of Working of Ferry Steamers and Harbours	..	..	..	..	—27,84,313
E.—Expenses of Traffic Department	..	..	..	..	—9,81,88,352
F.—Expenses of General Departments	..	..	..	..	—3,89,54,006
G.—Miscellaneous Expenses	..	..	..	..	—4,27,92,649
H.—Expenses of Electrical Department	..	..	..	..	—3,76,52,125
I.—Suspense	..	..	..	..	—10,28,066
Appropriation to Depreciation Reserve Fund	..	..	..	..	—11,99,55,932

Total Working expenses .. —64,66,05,882

Share of surplus profits paid to Indian States and Railway Companies .. —49,14,990

## Payments to Worked Lines—

(i) Net earnings	..	..	..	..	..	—2,61,10,047
(ii) Rental paid to South Bihar Railway	..	..	..	..	..	—4,03,864
(iii) Rebate, subsidy, etc.	..	..	..	..	..	—9,54,423

Total—*Deduct* .. —67,89,89,206

Net .. 30,40,52,985

## XV.—B.—State Railways—

## Strategic Lines—

## Gross Receipts—

Coaching Earnings	..	..	..	..	..	48,72,830
Goods Earnings	..	..	..	..	..	80,04,981
Sundry other Earnings	..	..	..	..	..	2,91,168

Total Gross Receipts .. 1,31,68,979

*Deduct*

## Working Expenses—

A.—Maintenance of Structural Works	..	..	..	..	..	—26,09,630
B.—Maintenance and supply of Locomotive Power	..	..	..	..	..	—53,80,034
C.—Maintenance of Carriage and Wagon Stock	..	..	..	..	..	—11,16,661
E.—Expenses of Traffic Department	..	..	..	..	..	—19,94,723
F.—Expenses of General Department	..	..	..	..	..	—9,58,348
G.—Miscellaneous Expenses	..	..	..	..	..	—7,69,040
H.—Expenses of Electric Service Department	..	..	..	..	..	—6,34,615
Appropriation to Depreciation Reserve Fund	..	..	..	..	..	—56,55,485

Total Working Expenses .. —1,91,18,536

Net Receipts .. —59,49,557

No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*contd.*

Heads.

Actuals  
for  
1938-39.  
Rs.B.—Railway Revenue Account—*concl'd.*

## XVI.—Subsidised Companies—

Government share of surplus profits .. .. .	2,66,063
Repayment of advances of interest and other items .. .	29,782
Sale of Land .. .. .	8,989
Guarantee from Provincial Governments in respect of unremunerative lines .	12,56,000
Total ..	15,60,834

## XVI.—A.—Railway Miscellaneous Receipts—

## (a) Commercial Lines—

Interest on Depreciation Reserve Fund Balances .. .. .	93,10,619
Interest on Railway Reserve Fund Balances .. .. .	37
Interest and dividends on securities purchased from the Railway Reserve Fund and the Depreciation Reserve Fund .. .. .	3,37,249
Contribution for Government supervision and control recoverable from Companies .. .. .	11,41,257
Miscellaneous Receipts .. .. .	15,53,379

## (b) Strategic Lines—

Interest on Depreciation Reserve Fund Balances .. .. .	10,02,519
Total ..	1,33,45,060

## C.—Irrigation, Navigation, Embankment and Drainage Works—

## XVII.—Irrigation, Navigation, Embankment and Drainage Works for which Capital Accounts are kept—

## A.—Irrigation Works—

## (1) Productive Works—

## Gross Receipts—

Direct Receipts .. .. .	10,414
Portion of Land Revenue due to Works .. .. .	2,91,486
Total ..	3,01,900

*Deduct—*

## Working Expenses—

Maintenance and repairs .. .. .	—1,14,721
Establishment .. .. .	—86,041
Tools and Plant .. .. .	—4,096
Total ..	—2,04,858

Net Receipts ..	97,042
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No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*concl'd.*

Heads.

Actuals  
for  
1938-39.  
Rs.C.—Irrigation, Navigation, Embankment and Drainage Works—*concl'd.*XVII.—Irrigation, Navigation, Embankment and Drainage  
Works for which Capital Accounts are kept—*concl'd.*

## (2) Unproductive Works—

## Gross Receipts—

## Direct Receipts—

							61,437
Water rates	..	..	..	..	..	..	541
Sales of water	..	..	..	..	..	..	27
Plantations	..	..	..	..	..	..	1,450
Other Canal Produce	..	..	..	..	..	..	2,968
Water power	..	..	..	..	..	..	156
Rents	..	..	..	..	..	..	2,096
Fines	..	..	..	..	..	..	581
Recoveries of expenditure			..	..	..	..	3,962
Miscellaneous	..	..	..	..	..	..	60,125
Portion of Land Revenue due to works				..	..	..	—145
Deduct—Refunds	..	..	..	..	..	..	
					Total	..	1,33,198

## Deduct—

## Working Expenses—

Extensions and improvements	..	..	..	..	..	..	—28,967
Maintenance and repairs	..	..	..	..	..	..	—91,817
Establishment	..	..	..	..	..	..	—29,960
Tools and Plant	..	..	..	..	..	..	—1,332

Total Working Expenses .. —1,52,076

Net Receipts .. —18,878

Total Net Receipts .. 78,164

## XVIII.—Irrigation, Navigation, Embankment and Drainage

## Works for which no Capital Accounts are kept—

## A.—Irrigation Works—

## Direct Receipts—

Water supply of towns	..	..	..	..	..	..	2,500
Plantations	..	..	..	..	..	..	22
Rents	..	..	..	..	..	..	331
Recoveries of expenditure	..	..	..	..	..	..	667
Miscellaneous	..	..	..	..	..	..	5,249
Deduct—Refunds	..	..	..	..	..	..	—8
					Total	..	8,761

No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*contd.*

Heads.	Actuals for 1938-39. Rs.
<b>D.—Posts and Telegraphs—</b>	
<b>XIX.—Posts and Telegraphs—</b>	
Abstract A.—Postage and Message Revenue .. .. .	8,72,12,459
Abstract B.—Miscellaneous Revenue .. .. .	2,95,47,432
<b>Total Gross Receipts .. .. .</b>	<b>11,67,59,891</b>
<i>Deduct—</i>	
Working expenses—	
Abstract C.—General Administration .. .. .	—27,21,052
Abstract D.—Accounts and Audit .. .. .	—25,15,576
Abstract E.—Control (Circle Offices) .. .. .	—33,31,527
Abstract F.—Engineering Expenses .. .. .	—43,46,166
Abstract G.—Pensionary charges .. .. .	—1,12,85,852
Abstract H.—Stamps, Post cards, Printing and Stationery .. .. .	—31,80,652
Abstract I.—Maintenance of Assets .. .. .	—24,99,505
Abstract J.—Postal Expenses, (including cost of combined offices) .. .. .	—7,05,21,853
Abstract K.—Telegraph Traffic (excluding cost of combined offices) .. .. .	—91,20,724
Abstract L.—Telegraph (Radio) Expenses .. .. .	—6,67,855
Abstract M.—Telephone Expenses .. .. .	—23,03,297
Abstract N.—Contributions to the Renewals Reserve Fund .. .. .	—23,13,000
Abstract S.—Repayments to General Revenues of Losses on Press Traffic .. .. .	—8,50,000
Abstract O.— <i>Deduct—Credits to Working Expenses</i> .. .. .	81,40,194
<b>Total Working Expenses .. .. .</b>	<b>—10,75,16,865</b>
<b>Net Receipts .. .. .</b>	<b>92,43,026</b>
<b>E.—Debt Services—</b>	
<b>XX.—Interest—</b>	
Interest on loans and advances by the Central Government .. .. .	43,16,074
Interest on advances to Railway companies debited to capital .. .. .	11,795
Interest on arrears of revenue .. .. .	1,569
Percentage from Subscribers to Service Funds on Foreign Service .. .. .	183
Miscellaneous .. .. .	77,953
Receipts in England .. .. .	26,62,375
Loss or gain by exchange .. .. .	9,386
<i>Deduct—Refunds</i> .. .. .	—5,007
<b>Total .. .. .</b>	<b>73,74,328</b>
<b>F.—Civil Administration—</b>	
<b>XXI.—Administration of Justice—</b>	
Sale proceeds of unclaimed and escheated property .. .. .	14,387
Court fees realised in cash .. .. .	45,215
General fees, fines and forfeitures .. .. .	1,19,280
Receipts of the Federal Court .. .. .	47,879
Miscellaneous fees and fines .. .. .	21,025
Recoveries of overpayments .. .. .	196
Collection of payments for services rendered .. .. .	2,995
Miscellaneous .. .. .	1,494
<i>Deduct—Refunds</i> .. .. .	—7,777
<b>Total .. .. .</b>	<b>2,44,694</b>

No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*contd.*

Heads.	Actuals. for 1938-39. Rs.
<b>F.—Civil Administration—<i>contd.</i></b>	
<b>XXII.—Jails and Convict Settlements—</b>	
Jails .. .. .	1,686
Jail Manufactures .. .. .	39,523
Convict receipts at Port Blair and Nicobars .. .. .	1,76,352
Recoveries of overpayments .. .. .	3,307
Collection of payments for services rendered .. .. .	114
<i>Deduct—Refunds</i> .. .. .	—342
<b>Total</b> ..	<b>2,20,640</b>
<b>XXIII.—Police—</b>	
Police supplied to Municipal, Cantonment and Town Funds .. .. .	600
Police supplied to public departments, private companies and persons .. .. .	233
Cash receipts under the Arms Act .. .. .	1,293
Fees, fines and forfeitures .. .. .	6,789
Recoveries of overpayments .. .. .	556
Collection of payments for services rendered .. .. .	23,945
Miscellaneous .. .. .	40,946
Receipts in England .. .. .	9
<i>Deduct—Refunds</i> .. .. .	—295
<b>Total</b> ..	<b>74,076</b>
<b>XXIV.—Ports and Pilotage—</b>	
<b>A.—Major Ports—</b>	
<b>(1) Bengal Pilot Service—</b>	
Pilot receipts .. .. .	17,06,765
Miscellaneous .. .. .	34,116
Loss or gain by exchange .. .. .	1
<b>(2) Other receipts—</b>	
Survey fees .. .. .	1,16,937
Fees for engagement and discharge of seamen .. .. .	1,67,683
Fees for registration of vessels .. .. .	869
Examination fees and miscellaneous .. .. .	1,65,642
Loss or gain by exchange .. .. .	9
<i>Deduct—Refunds</i> .. .. .	—2,041
<b>B.—Other Ports—</b>	
Miscellaneous .. .. .	5
<b>Total</b> ..	<b>21,89,986</b>
<b>XXV.—Lighthouses and Lightships—</b>	
Light dues .. .. .	7,10,472
Contributions .. .. .	1,52,870
Miscellaneous .. .. .	53,088
<i>Deduct—Refunds</i> .. .. .	—1,453
<b>Total</b> ..	<b>9,14,977</b>

No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*contd.*

NO. 4.—DETAILED ACCOUNT OF RECEIPTS							Actuals for 1938-39. Rs.
Heads.							
<b>F.—Civil Administration—<i>contd.</i></b>							
<b>XXVI.—Education—</b>							
A.—University—							27,013
Fees, Government Arts Colleges .. .. .							
B.—Secondary—							60,939
Fees, Government Secondary Schools .. .. .							
C.—Primary—							445
Fees, Government Primary Schools .. .. .							
D.—Special—							5,205
Fees and other receipts, Government Special Schools .. .. .							
E.—General—							54,005
Contributions .. .. .							1,067
Recoveries of overpayments .. .. .							7,150
Collection of payments for services rendered .. .. .							36,051
Miscellaneous .. .. .							—349
Deduct—Refunds .. .. .							
Total ..							1,91,526
<b>XXVII.—Medical—</b>							37,477
Hospital receipts .. .. .							91
Sale of medicines .. .. .							43,126
Contributions .. .. .							1,504
Recoveries of overpayments .. .. .							1,46,750
Collection of payments for services rendered .. .. .							5,607
Miscellaneous .. .. .							1,09,892
Receipts in England .. .. .							585
Loss or gain by exchange .. .. .							—100
Deduct—Refunds .. .. .							
Total ..							3,44,932
<b>XXVIII.—Public Health—</b>							2,43,024
Sale proceeds of sera and vaccines, etc. .. .. .							1,21,285
Contributions .. .. .							15,494
Recoveries of overpayments .. .. .							10,298
Collection of payments for services rendered .. .. .							48,682
Miscellaneous .. .. .							—1,328
Deduct—Refunds .. .. .							
Total ..							4,37,455
<b>XXIX.—Agriculture—</b>							4,39,824
Agriculture receipts .. .. .							2,572
Recoveries of overpayments .. .. .							1,459
Collection of payments for services rendered .. .. .							—43,077
Deduct—Refunds .. .. .							
Total ..							4,00,778
<b>XXX.—Veterinary—</b>							5,63,015
Other receipts .. .. .							—23
Deduct—Refunds .. .. .							
Total ..							5,62,992

No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*contd.*

Heads.	Actuals. for 1938-39. Rs.
<b>F.—Civil Administration—<i>contd.</i></b>	
<b>XXXI.—Co-operation—</b>	
Audit fees .. .. .	216
Miscellaneous receipts .. .. .	96
<b>Total</b> ..	<b>312</b>
<b>XXXII.—Industries—</b>	
Industries .. .. .	1,529
Indian School of Mines .. .. .	21,798
Recoveries of overpayments .. .. .	136
<i>Deduct</i> —Refunds .. .. .	—145
<b>Total</b> ..	<b>23,318</b>
<b>XXXIII.—Aviation—</b>	
Aviation receipts .. .. .	1,42,959
Receipts in England .. .. .	5,411
Loss or gain by exchange .. .. .	38
<i>Deduct</i> —Refunds .. .. .	—764
<b>Total</b> ..	<b>1,47,644</b>
<b>XXXIV.—Broadcasting—</b>	
License fees .. .. .	5,86,431
Other receipts .. .. .	1,54,744
<i>Deduct</i> —Refunds .. .. .	—2,326
<b>Total</b> ..	<b>7,38,849</b>
<b>XXXV.—Indian Stores Department—</b>	
Fees on account of purchase of stores .. .. .	7,36,373
Fees on account of inspection of stores purchased through the department .. .. .	6,20,669
Fees on account of inspection of stores not purchased through the department .. .. .	2,83,461
Testing fees recovered by the Government Test House .. .. .	1,04,924
Testing and Inspection fees recovered by the Metallurgical Inspectorate .. .. .	4,01,926
Other miscellaneous receipts .. .. .	62,402
Loss or gain by exchange .. .. .	2
<i>Deduct</i> —Refunds .. .. .	—99,681
<b>Total</b> ..	<b>21,10,076</b>
<b>XXXVI.—Miscellaneous Departments—</b>	
<b>Labour and Emigration—</b>	
Emigration fees .. .. .	48,706
Fees for registration of Trade Unions .. .. .	47
<b>Miscellaneous—</b>	
Registration of Accountants .. .. .	40,773
Examination fees .. .. .	1,84,227
Patent fees .. .. .	2,46,642
Salc of stores and materials .. .. .	482

No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*concl'd.*

Heads.							Actuals for 1938-39. Rs.
<b>F.—Civil Administration—<i>concl'd.</i></b>							
<b>XXXVI.—Miscellaneous Departments—<i>concl'd.</i></b>							
Fees for the inspection of steam boilers	..	..	..	..	..	..	11,329
Registration of Joint Stock Companies	..	..	..	..	..	..	3,62,384
Miscellaneous	..	..	..	..	..	..	10,16,098
Receipts in England	..	..	..	..	..	..	8,609
Loss or gain by exchange	..	..	..	..	..	..	841
Deduct—Refunds	..	..	..	..	..	..	—20,618
Total							18,99,520
<b>G.—Currency and Mint—</b>							
<b>XXXVII.—Currency—</b>							
Share of surplus Profits of the Reserve Bank	..	..	..	..	..	..	19,55,655
Currency Note Printing Press	..	..	..	..	..	..	17,77,179
Value of old Currency Notes assumed to be no longer in circulation	..	..	..	..	..	..	79,559
Value of unclaimed Currency Notes	..	..	..	..	..	..	17,100
Miscellaneous	..	..	..	..	..	..	11,755
Deduct—Refunds	..	..	..	..	..	..	—7,037
Total							38,34,191
<b>XXXVIII.—Mint—</b>							
Profit on circulation of bronze and copper coins	..	..	..	..	..	..	11,26,597
Profit on circulation of nickel coins	..	..	..	..	..	..	4,66,318
Percentage chargeable on the coinage of new Rupees	..	..	..	..	..	..	11,704
Assay fees	..	..	..	..	..	..	88,056
Other gain on silver coinage operations	..	..	..	..	..	..	4,563
Miscellaneous	..	..	..	..	..	..	2,85,501
Receipts in England	..	..	..	..	..	..	32
Deduct—Refunds	..	..	..	..	..	..	—597
Total							19,82,174
<b>H.—Civil Works and Miscellaneous Public Improvements—</b>							
<b>XXXIX.—Civil Works—</b>							
Rents	..	..	..	..	..	..	21,95,432
Ferry receipts	..	..	..	..	..	..	27,884
Recoveries of Expenditure	..	..	..	..	..	..	2,83,177
Miscellaneous	..	..	..	..	..	..	7,39,561
Receipts in England	..	..	..	..	..	..	11
Loss or gain by exchange	..	..	..	..	..	..	10
Deduct—Refunds	..	..	..	..	..	..	—22,846
Total							32,23,229
<b>J.—Miscellaneous—</b>							
<b>XLII.—Receipts from Indian States—</b>							
Receipts from Indian States	..	..	..	..	..	..	63,05,620
Deduct—Refunds	..	..	..	..	..	..	—2,58,134
Total							60,47,486



No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*contd.*

Heads.	Actuals. for 1938-39. Rs.
<b>J.—Miscellaneous—<i>concl'd.</i></b>	
<b>XLIV.—Receipts in aid of Superannuation—</b>	
Receipts of the Military Orphan Fund .. .. .	1,43,098
Subscription under the Indian Civil Service (Non-European Members) Family Pension Rules .. .. .	95,292
Contributions for pensions and gratuities .. .. .	4,58,492
Deductions for Marine Pension Fund .. .. .	7,392
Miscellaneous .. .. .	16,934
Receipts in England .. .. .	82,195
Loss or gain by exchange .. .. .	480
<i>Deduct</i> —Refunds .. .. .	—9,052
Total ..	
	7,94,831
<b>XLV.—Stationery and Printing—</b>	
Stationery receipts .. .. .	19,05,744
Sale of plain paper used with stamps .. .. .	15,251
Sale of Gazettes and other Government publications .. .. .	3,45,019
Other Press Receipts .. .. .	1,19,057
Receipts in England .. .. .	21,644
Loss or gain by exchange .. .. .	162
<i>Deduct</i> —Refunds .. .. .	—75,374
Total ..	
	23,31,503
<b>XLVI.—Miscellaneous—</b>	
Unclaimed deposits .. .. .	84,695
Sale of land and houses, etc. .. .. .	1,77,469
Fees for Government audit .. .. .	2,46,922
Receipts arising out of Military Land Scheme, Bombay .. .. .	18,83,853
Recoveries of overpayments .. .. .	57,479
Repayment to General Revenues of Losses on Press Traffic .. .. .	8,50,000
Collection of payments for services rendered .. .. .	2,99,005
Other receipts—	
Sale of old stores and materials .. .. .	30,123
Rent, Rates and Taxes .. .. .	72,068
Naturalisation, Passport and Copyright fees .. .. .	1,80,173
Other fees, fines and forfeitures .. .. .	1,84,905
Interest on cemetery endowments .. .. .	27,905
Gain by exchange on local transactions .. .. .	—1,095
Contributions .. .. .	16,010
Miscellaneous .. .. .	24,14,582
Receipts in England .. .. .	3,88,484
Loss or gain by exchange .. .. .	2,063
<i>Deduct</i> —Refunds .. .. .	—2,55,279
Total ..	
	66,59,362

No. 4.—DETAILED ACCOUNT F REVENUE BY MINOR HEADS—*contd.*

Heads.	Actuals for 1938-39. Rs.
<b>I.—Defence Services—</b>	
<b>XLVII.—Defence Receipts—Effective—</b>	
<b>A.—Receipts in India—</b>	
I.—Fighting Services .. .. .	2,84,147
II.—Administrative Services .. .. .	21,85,969
III.—Manufacturing Establishments (including stores) .. .. .	93,49,499
IV.—Army Headquarters, Staff of Commands, etc. .. .. .	99,664
V.—Purchase and sale of stores, equipment and animals (other than those purchased direct by Manufacturing Establishments, Military Engineer Services, Royal Air Force and Royal Indian Navy) .. .. .	1,09,91,608
VI.—Special Services .. .. .	531
VII.—Transportation, Conservancy, Hot Weather Establishments, etc. .. .. .	9,56,754
VIII.—Military Engineer Services (including Stores) .. .. .	42,56,942
IX.—Auxiliary and Territorial Forces .. .. .	9,192
X.—Royal Air Force (including Stores) .. .. .	2,67,961
XI.—Royal Indian Navy (including Stores) .. .. .	4,34,870
XII.—Quetta Reconstruction (including Stores) .. .. .	10,29,838
Total .. .. .	2,98,66,975
<b>B.—Receipts in England—</b>	
I.—Fighting Services .. .. .	2,34,61,375
II.—Administrative Services .. .. .	1,00,130
III.—Manufacturing Establishments (including Stores) .. .. .	6,874
IV.—Army Headquarters, Staff of Commands, etc. .. .. .	6,856
V.—Purchases and sales of stores, equipment and animals (other than those purchased direct by Manufacturing Establishments, Military Engineer Services, Royal Air Force and Royal Indian Navy) .. .. .	2,81,223
VII.—Transportation, Conservancy, Hot Weather Establishments, and Miscellaneous .. .. .	2,75,807
VIII.—Military Engineer Services (including Stores) .. .. .	225
X.—Royal Air Force (including Stores) .. .. .	71,211
XI.—Royal Indian Navy (including stores) .. .. .	64,741
XII.—Quetta Reconstruction (including Stores) .. .. .	889
Loss or gain by exchange .. .. .	1,79,988
Total .. .. .	2,44,49,319
Total .. .. .	5,43,16,294

No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*concl'd.*

Heads.	Actuals. for 1938-39. Rs.
<b>K.—Defence Services—<i>concl'd.</i></b>	
<b>XLVIII.—Defence Receipts—Non-Effective—</b>	
A.—Receipts in India—	
I.—Army .. .. .	8,01,295
III.—Royal Indian Navy .. .. .	3,293
B.—Receipts in England—	
I.—Army .. .. .	37,33,549
III.—Royal Indian Navy .. .. .	7,326
Loss or gain by exchange .. .. .	28,398
Total ..	45,73,861
<b>M.—Extraordinary items—</b>	
<b>LI.—Extraordinary Receipts—</b>	
Annuity receipts from Government of Burma .. .. .	2,99,82,000
Sale of other Government assets .. .. .	70,000
Other items .. .. .	2,698
Receipts in England .. .. .	270
Total ..	3,00,54,968
LII.—Transfer from Revenue Reserve Fund .. .. .	1,05,79,712
Total ..	1,05,79,712

## No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS.

Heads.  1	Actuals for 1938-39.		Total  4 Rs.
	Non-voted.	Voted.	
	2 Rs.	3 Rs.	
<b>A.—Direct Demands on the Revenue—</b>			
<b>1. Customs—</b>			
Sea Customs, Charges at the Ports .. ..	2,47,308	63,28,127	65,75,435
Land Customs, Charges .. ..	20,777	11,50,732	11,71,509
Assignments and Compensations .. ..	41,19,072	18,471	41,37,543
Charges in England .. ..	32,112	37,977	70,089
Loss or gain by exchange .. ..	174	255	429
Total ..	44,19,443	75,35,562	1,19,55,005
<b>2. Central Excise Duties—</b>			
Charges on collection of Excise Duty on Sugar .. ..	..	5,866	5,866
Charges on collection of Excise Duty on Matches .. ..	..	20	20
Payments to Indian States of share of Match Excise duty .. ..	34,12,532	..	34,12,532
Amount payable to the Salt Department for share of the cost of combined Central Excise and Salt Department .. ..	..	11,57,350	11,57,350
Charges in England .. ..	..	1,508	1,508
Loss or gain by exchange .. ..	..	7	7
Total ..	34,12,532	11,64,751	45,77,283
<b>3. Corporation Tax—</b>			
Collection of Corporation Tax .. ..	11,043	8,82,297	8,93,340
Total ..	-11,043	8,82,297	8,93,340.
<b>4. Taxes on Income other than Corporation Tax—</b>			
Collection of Income Tax .. ..	1,31,652	73,02,506	74,34,158
Other charges .. ..	885	..	88
Deduct—Proportionate charges transferred to 3. Corporation Tax .. ..	-11,043	-8,82,297	-8,93,340
Works .. ..	..	1,605	1,605
Charges in England .. ..	44,886	92,597	1,37,483
Loss or gain by exchange .. ..	338	613	951
Total ..	1,66,718	65,15,024	66,81,742
<b>5. Salt—</b>			
<b>I.—Charges of the Northern India Salt Revenue Department—</b>			
<b>A.—Working Expenses—</b>			
Direction .. ..	18,710	69,048	88,358
Manufacture and Sale .. ..	..	15,23,693	15,23,693
Engineering Section .. ..	..	1,65,015	1,65,015
Medical Establishments .. ..	..	25,464	25,464
Contribution to the Renewals Reserve Fund .. ..	..	1,30,000	1,30,000
Renewals and Replacements .. ..	..	75,901	75,901
Deduct—Amount met from the Renewal Reserve Fund .. ..	..	-75,901	-75,901

# No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS— *contd.*

Heads.  1	Actuals for 1938-39.		Total.  4 Rs.
	Non-voted.	Voted.	
	2 Rs.	3 Rs.	
<b>A.—Direct Demands on the Revenue—<i>contd.</i></b>			
<b>5. Salt—<i>concl'd.</i></b>			
<b>I.—Charges of the Northern India Salt Revenue Department—<i>concl'd.</i></b>			
<b>A.—Working Expenses—<i>concl'd.</i></b>			
Cost of Accounts and Audit .. ..	3,650	34,766	38,416
Pensionary Charges and contribution to Provident Funds. .. ..	1,750	49,503	51,256
Charges in England .. ..	2,219	20,699	22,918
Loss or gain by exchange .. ..	15	134	149
<b>B.—Other Revenue Expenditure—</b>			
Preventive Establishments . . . .	.	2,79,175	2,79,175
Interest on Capital .. . .	4,00,510	..	4,00,510
Royalties and Compensations .. ..	32,89,620	..	32,89,620
Expenses in connection with the Collection of central excise duties .. ..	.	11,57,350	11,57,350
<i>Deduct</i> —Share debitable to 2-Central Excise Duties .. ..	..	—11,57,350	—11,57,350
<b>II.—Charges in Provinces—</b>			
Direction .. ..	40,180	30,40,926	30,81,106
Preventive Establishments .. ..	..	53,644	53,644
Medical Establishments .. ..	..	13,679	13,679
Salt purchase and freight .. ..	..	4,28,677	4,28,677
Works .. ..	..	1,66,775	1,66,775
Royalties and Compensations .. ..	5,82,611	19,972	6,02,583
Charges in England .. ..	13,128	11,077	24,205
Loss or gain by exchange .. ..	111	73	184
Total ..	43,52,504	60,32,923	1,03,85,427
<b>6. Opium—</b>			
Superintendence and other Establishment in the United Provinces .. ..	21,627	1,64,431	1,86,058
Ghazipur Opium Factory .. ..	..	1,90,999	1,90,999
Payments for special cultivation in Malwa ..	..	13,47,850	13,47,850
Payments to cultivators in the United Provinces ..	..	5,91,583	5,91,583
Compensations .. ..	1,19,297	..	1,19,297
Miscellaneous opium charges in Calcutta ..	..	1,642	1,642
Neemuch Opium Factory .. ..	..	98,551	98,551
Miscellaneous .. ..	..	818	818
Charges in England .. ..	..	18,643	18,643
Loss or gain by exchange .. ..	..	118	118
Total ..	1,40,924	24,14,635	25,55,559

# No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS— *contd.*

Heads.  1	Actuals for 1938-39.		Total.  4  Rs.
	Non-voted.	Voted.	
	2 Rs.	3 Rs.	
<b>A.—Direct Demands on the Revenue—<i>contd.</i></b>			
<b>7. Land Revenue—</b>			
Charges of Administration .. .. .	1,61,034	37,604	1,98,638
Charges on account of land revenue collections ..	4,391	12,837	17,228
Survey, Settlement and Record Operations ..	50,864	..	50,864
Land Records .. .. .	96,540	81,261	1,77,801
Assignments and Compensations .. ..	37,778	5,531	43,309
Charges in England .. .. .	2,859	..	2,859
Loss or gain by exchange .. .. .	15	..	15
Total ..	3,53,481	1,37,233	4,90,714
<b>8. Provincial Excise—</b>			
District Executive Establishment .. ..	20,286	1,03,549	1,23,835
Distilleries .. .. .	5,744	..	5,744
Cost of Opium supplied to Provincial Excise Department .. .. .	9,240	2,69,078	2,78,318
Compensations .. .. .	23,309	1,80,190	2,03,499
Purchase of Ganja and other drugs .. ..	..	32	32
Excise Bureau .. .. .	10,000	..	10,000
Total ..	68,579	5,52,849	6,21,428
<b>9. Stamps—</b>			
<b>A.—Non-Judicial—</b>			
Superintendence .. .. .	..	1,400	1,400
Central Stamp Office at Calcutta .. ..	..	—2,889	—2,889
Charges for the sale of Stamps .. ..	2,146	10,454	12,600
Cost of Stamps supplied from Central Stamp Stores .. .. .	557	533	1,090
<b>B.—Judicial—</b>			
Charges for the sale of stamps .. ..	813	4,978	5,791
Cost of stamps supplied from Central Stamp Stores .. .. .	124	162	286
<b>C.—General—</b>			
Security Printing, India—			
Capital Account—			
Buildings .. .. .	..	82	82
Minor Equipment .. .. .	..	842	842
Miscellaneous .. .. .	..	875	875
Deduct—Depreciation .. .. .	..	—89,874	—89,874
Revenue Account—			
Working expenses .. .. .	48,513	15,57,170	16,05,683
Interest on Capital .. .. .	1,45,398	..	1,45,398
Total ..	1,97,551	14,83,733	16,81,284

# No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS— contd.

Heads.  1	Actuals for 1938-39.		Total.  4  Rs.
	Non-voted.	Voted.	
	2 Rs.	3 Rs.	
<b>A.—Direct Demands on the Revenue—concl'd.</b>			
<b>10. Forest—</b>			
General Direction .. .. .	42,626	10,000	52,626
Forest Research Institute .. .. .	1,81,509	5,33,219	7,14,728
Conservancy and Works .. .. .	1,01,070	10,75,303	11,76,373
Establishment .. .. .	54,814	1,83,273	2,38,087
Charges in England .. .. .	62,378	20,650	83,028
Loss or gain by exchange .. .. .	388	173	561
Total .. .. .	4,42,785	18,22,618	22,65,403
<b>11. Registration—</b>			
District Charges .. .. .	3,972	5,786	9,758
Total .. .. .	3,972	5,786	9,758
<b>12. Charges on account of Motor Vehicles Acts—</b>			
Charges of collection .. .. .	..	23,173	23,173
Compensations to local bodies, etc. .. .. .	..	2,09,318	2,09,918
Total .. .. .	..	2,33,091	2,33,091
<b>AA.—Principal Revenue Heads—</b>			
Capital Outlay on Salt Works within the Revenue Account—			
<b>5A.—Capital Outlay on Salt Works—</b>			
Works .. .. .	..	19,287	19,287
Plant and Machinery .. .. .	..	—5,462	—5,462
Total .. .. .	..	13,825	13,825
<b>B.—Railway Revenue Account—</b>			
<b>15-A.—State Railways—</b>			
Commercial Lines—			
Interest on Debt .. .. .	26,82,47,379	2,63,983	26,85,11,362
Interest on Capital contributed by Companies and Indian States .. .. .	1,12,19,878	..	1,12,19,878
Total .. .. .	27,94,67,257	2,63,983	27,97,31,240

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—  
*contd.*

Heads.	Actuals for 1938-39.		Total.
	Non-voted.	Voted.	
	2 Rs.	3 Rs.	4 Rs.
<b>B. Railway Revenue Account—<i>concl.</i></b>			
<b>15-B.—State Railways—</b>			
Strategic Lines—			
Interest on Debt .. .. .	1,32,27,966	..	1,32,27,966
Total .. .. .	1,32,27,966	..	1,32,27,966
<b>15-C.—Subsidised Companies—</b>			
Land .. .. .	..	35,080	35,080
Subsidy .. .. .	..	4,57,762	4,57,762
Total .. .. .	..	4,92,842	4,92,842
<b>15-D.—Miscellaneous Railway Expenditure—</b>			
Commercial Lines—			
Railway Board .. .. .	4,64,658	8,97,711	13,62,369
Inspection .. .. .	1,62,956	49,572	2,12,528
Audit .. .. .	3,05,406	13,97,749	17,03,155
Controller of Railway Accounts .. .. .	64,908	2,11,041	2,65,949
Railway Rates Advisory Committee .. .. .	..	77,128	77,128
Chief Mining Engineer .. .. .	1,45,352	—1,86,887	—41,535
Chief Controller of Standardization .. .. .	1,18,149	3,19,641	4,37,790
Miscellaneous Establishments and charges .. .. .	1,38,050	2,91,410	4,29,460
Pensionary Charges .. .. .	8,71,863	4,88,768	13,60,631
Surveys .. .. .	5,163	—18,896	—13,733
Suspense .. .. .	..	—1,366	—1,366
Total .. .. .	22,66,505	35,25,871	57,92,376
<b>15-E.—Miscellaneous Railway Expenditure—</b>			
Strategic Lines—			
Inspection .. .. .	6,141	2,171	8,312
Audit .. .. .	3,509	20,947	24,456
Total .. .. .	9,650	23,118	32,768
<b>C.—Revenue Account of Irrigation, Nagivation, Em- bankment and Drainage Works—</b>			
<b>17.—Interest on Works for which Capital Accounts are kept—</b>			
Irrigation Works .. .. .	7,37,731	..	7,37,731
Total .. .. .	7,37,731	..	7,37,731



No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—  
*contd.*

Heads.  1	Actuals for 1938-39.		Total.  4
	Non-voted.	Voted.	
	2 Rs.	3 Rs.	Rs.
<b>C.—Revenue Account of Irrigation, etc.—<i>concl'd.</i></b>			
<b>18.—Other Revenue Expenditure financed from Ordinary Revenues—</b>			
<b>A.—Irrigation Works—</b>			
(1) Works for which no Capital Accounts are kept—			
Works .. .. .	2,141	..	2,141
Maintenance and Repairs .. ..	19,091	..	19,091
Establishment .. .. .	60,471	..	60,471
Tools and Plant .. .. .	—100	..	—100
Suspense .. .. .	1,139	..	1,139
(2) Miscellaneous Expenditure—			
Works .. .. .	..	6,588	6,588
Establishment .. .. .	35,071	26,201	61,272
Tools and Plant .. .. .	..	2	2
Other charges .. .. .	4,508	53,841	58,349
Grants-in-Aid .. .. .	1,193	—22,500	—21,307
Suspense .. .. .	..	166	166
Charges in England .. .. .	25,005	..	25,005
Loss or gain by exchange .. ..	150	7	157
<b>B.—Navigation, Embankment and Drainage Works—</b>			
(1) Works for which no Capital Accounts are kept—			
Works .. .. .	1,427	..	1,427
Maintenance and Repairs .. ..	4,212	1,652	5,864
Establishment .. .. .	20,958	247	21,205
Tools and Plant .. .. .	—27	25	—2
(2) Miscellaneous Expenditure—			
Establishment .. .. .	..	90	90
Tools and Plant .. .. .	..	9	9
Other charges .. .. .	..	603	603
Total .. .. .	1,75,239	66,931	2,42,170

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—  
*contd.*

Heads.  1	Actuals for 1938-39.		Total.  4  Rs.
	Non-voted.  2  Rs.	Voted.  3  Rs.	
CC.—Capital Account of Irrigation, Navigation, Embankment and Drainage Works within the Revenue Account—			
19.—Construction of Irrigation, Navigation, Embankment and Drainage Works—			
B.—Financed from Ordinary Revenues—			
Irrigation Works .. .. .	31,031	..	31,031
Total ..	31,031	..	31,031
D.—Posts and Telegraphs Revenue Account—			
20.—Posts and Telegraphs—			
Interest on Debt—			
Interest on Capital Outlay .. ..	73,45,227	..	73,45,227
Total ..	73,45,227	..	73,45,227
DD.—Posts and Telegraphs Capital Account within the Revenue Account—			
21.—Capital Outlay on Posts and Telegraphs—			
Amount transferred from "69—Capital Outlay on Posts and Telegraphs—A.—Capital Outlay on New Assets" .. .. .	..	3,95,601	3,95,601
Total ..	..	3,95,601	3,95,601
E.—Debt Services—			
22.—Interest on Debt and Other Obligations—			
A.—Interest on Ordinary Debt—			
(i) RUPEE DEBT—			
1. Interest on Permanent Loans .. ..	17,39,76,002	..	17,39,76,002
2. Discount on Loans .. .. .	73,10,798	..	73,10,798
3. Floating Loans—			
Discount on Treasury Bills .. ..	68,50,873	..	68,50,873
Interest on other Floating Loans .. ..	2,70,959	..	2,70,959
4. Other Items—			
Brokerage, Commission, etc. .. ..	..	2,01,414	2,01,414
Management of Debt .. .. .	..	8,74,932	8,74,932
Miscellaneous—Advertisement charges, etc. .. ..	..	17,558	17,558
(ii) STERLING DEBT—			
Interest on Loans contracted in England under various Acts .. .. .	13,00,97,076	..	13,00,97,076
Interest portion of Annuities created in purchase of Railways .. .. .	1,81,29,113	..	1,81,29,113

# No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS — *contd.*

Heads.  1	Actuals for 1938-39.		Total.  4  Rs.
	Non-voted.	Voted.	
	2 Rs.	3 Rs.	

E.—Debt Services—*contd.*

22.—Interest on Debt and Other Obligations—*contd.*

A.—Interest on Ordinary Debt—*contd.*

(ii) STERLING DEBT—*concl'd.*

Interest on outstanding liabilities of Railway Companies taken over on purchase or termination of contract .. .. .	1,13,43,235	..	1,13,43,235
Discount on Loans .. .. .	41,75,368	..	41,75,368
Management of Debt .. .. .	..	9,15,515	9,15,515
Other Items—			
Difference between par value and cost of India Bonds purchased for cancellation	5,63,482	..	5,63,482
Stamp duty on transfers and powers of Attorney, etc. .. .. .	..	1,23,484	1,23,484
Loss or gain by exchange .. .. .	3,39,215	6,859	8,96,074

B.—Interest on Unfunded Debt—

1. Special Loans—

Interest on Loans from the late King of Oudh	6,74,852	..	6,74,852
Interest on other Special Loans .. .. .	35,160	..	35,160

2. Treasury Notes of Service and other Funds

	2,865	..	2,865
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3. Deposits of Service Funds bearing interest—

Interest on Bengal Uncovenanted Service Family Pension Fund .. .. .	3,42,700	..	3,42,700
Interest on Bombay Family Pension Fund of Government Servants .. .. .	1,44,288	..	1,44,288
Interest on Bengal Madras Service Family Pension Fund .. .. .	68,430	..	68,430
Interest on Madras Military Assistant Surgeons' Fund .. .. .	17,448	..	17,448

4. Savings Bank Deposits—

Interest on Post Office Savings Bank Deposits	1,41,54,917	..	1,41,54,917
Interest on Post Office Cash Certificates .. .. .	3,34,54,667	..	3,34,54,667
Payments to Post Office for Savings Bank and Cash Certificate work .. .. .	..	74,99,860	74,99,860

5. State Provident Funds—

Interest on General Provident Fund .. .. .	31,44,620	..	31,44,620
Interest on Indian Civil Service Provident Fund .. .. .	46,939	..	46,939
Interest on Indian Civil Service (Non-European Members) Provident Fund .. .. .	1,239	..	1,239

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads.  1	Actuals for 1938-39.		Total.  4 Rs.
	Non-voted.	Voted.	
	2 Rs.	3 Rs.	
<b>E.—Debt Services—<i>contd.</i></b>			
<b>22.—Interest on Debt, etc.—<i>contd.</i></b>			
<b>B.—Interest on Unfunded Debt—<i>contd.</i></b>			
<b>5. State Provident Funds—<i>concl'd.</i></b>			
Interest on Defence Services Officers' Provident Fund .. .. .	78,410	..	78,410
Interest on Contributory Provident Fund ..	1,56,386	..	1,56,386
Interest on Deposits in State Railway Provident Institutions .. .. .	1,40,84,600	..	1,40,84,600
Interest on Companies' Railways Provident Funds .. .. .	92,66,598	..	92,66,598
Interest on other Miscellaneous Provident Funds .. .. .	3,56,335	..	3,56,335
<b>6. Special Deposit Accounts—</b>			
Interest on General Family Pension Fund ..	229	..	229
Interest on Hindu Family Annuity Fund ..	1,773	..	1,773
Interest on Bengal Christian Family Pension Fund .. .. .	181	..	181
Interest on Bombay Family Pension Fund of Government Servants, Life Assurance Branch .. .. .	1,404	..	1,404
Interest on Postal Insurance and Life Annuity Fund .. .. .	28,49,240	..	28,49,240
Interest on Cemetery Endowment Fund ..	34,312	..	34,312
Interest on Railway Staff Benefit Fund ..	19,575	..	19,575
<b>Payments in England—</b>			
Interest on balances of the Indian Civil Service Family Pension Fund .. .. .	12,95,530	..	12,95,530
Interest on balances of the Indian Military Service Family Pension Fund .. .. .	19,42,860	..	19,42,860
Interest on balances of the Superior Services (India) Family Pension Fund .. .. .	1,99,732	..	1,99,732
Interest on balances of the Indian Military Widows' and Orphans' Fund .. .. .	2,44,554	..	2,44,554
Loss or gain by exchange .. .. .	16,790	..	16,790
<b>C.—Interest on Other Obligations—</b>			
<b>Interest on Depreciation Reserve and other Reserve Funds—</b>			
Interest on Railway Reserve Fund ..	37	..	37
Interest on Depreciation Reserve Fund—Railways .. .. .	1,03,13,138	..	1,03,13,138
Interest on Renewals Reserve Fund—Northern India Salt Revenue .. .. .	1,23,455	..	1,23,455
Interest on Renewals Reserve Fund—Posts and Telegraphs Department .. .. .	9,04,843	..	9,04,843
Interest on General Reserve Fund—Lighthouses and Lightships .. .. .	1,28,769	..	1,28,769
Interest on Depreciation Reserve Fund—Lighthouses and Lightships .. .. .	50,975	..	50,975

# No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS— *contd.*

Heads. 1	Actuals for 1938-39.		Total. 4
	Non-voted.	Voted.	
	Rs.	Rs.	Rs.
<b>E.—Debt Services—<i>concl'd.</i></b>			
22.—Interest on Debt, etc.— <i>concl'd.</i>			
Other Items—			
Miscellaneous .. .. .	30,707	..	30,707
Payments in England—			
Interest on Bengal and North Western Railway 5 per cent. Debenture Stock Discount Sink- ing Fund .. .. .	20,169	..	20,169
Loss or gain by exchange .. .. .	122	..	122
<b>D.—Transfers—</b>			
<i>Deduct—</i>			
Interest transferred to Commercial Depart- ments .. .. .	—18,20,19,009	..	—18,20,19,009
Interest paid by Provincial Governments ..	—5,35,46,748	..	—5,35,46,748
Interest portion of equated payments on ac- count of commuted value of pensions ..	—24,50,576	..	—24,50,576
England—			
Interest transferred to Commercial Depart- ments .. .. .	—10,77,75,183	..	—10,77,75,183
Loss or gain by exchange .. .. .	—4,34,351	..	—4,34,351
Total ..	10,15,89,153	96,39,622	11,12,28,775
23.—Appropriation for Reduction or Avoidance of Debt—			
Sinking Funds .. .. .	1,36,71,000	..	1,36,71,000
Other Appropriations .. .. .	1,63,29,000	..	1,63,29,000
Total ..	3,00,00,000	..	3,00,00,000
<b>F.—Civil Administration—</b>			
25.—General Administration—			
A.—Heads of Provinces (including Governor General, Executive Council and Ministers)—			
Salary of the Governor General .. .. .	2,50,994	..	2,50,994
Secretariat Staff of Governor General ..	72,704	..	72,704
Staff and Household of Governor General ..	8,05,018	..	8,05,018
Sumptuary Allowance of Governor General ..	45,000	..	45,000
State conveyances and motors of the Governor General .. .. .	49,266	..	49,266
Expenditure from Contract Allowance ..	1,79,941	..	1,79,941
Tour Expenses .. .. .	6,26,978	..	6,26,978
Chief Commissioners .. .. .	4,93,820	78,601	5,72,421
Executive Council .. .. .	4,65,650	1,17,250	5,82,900

# No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS— *contd.*

Heads.  1	Actuals for 1938-39.		Total.  4  Rs.
	Non-voted.	Voted.	
	2 Rs.	3 Rs.	
<b>F.—Civil Administration—<i>contd.</i></b>			
<b>25.—General Administration—<i>concl'd.</i></b>			
B.—Legislative Bodies—			
Council of State .. .. .	..	1,26,794	1,26,794
Indian Legislative Assembly ..	62,509	5,29,911	5,92,420
Legislative Assembly Department ..	..	4,22,960	4,22,960
Election for Legislature .. ..	..	6,959	6,959
C.—Secretariat and Headquarters Establishments—			
Civil Secretariats .. .. .	42,52,660	35,74,279	78,26,939
Public Service Commission .. ..	4,35,687	..	4,35,687
E.—District Administration—			
General Establishments .. .. .	5,67,731	4,14,555	9,82,286
Sub-Divisional Establishments ..	2,46,613	..	2,46,613
Other Establishments .. .. .	65,244	..	65,244
G.—Miscellaneous—			
Payments to Provincial Governments for Administration of Agency Subjects ..	..	93,379	93,379
Payment to the Crown Department on account of work done or service rendered to the Central Government .. .. .	..	3,563	3,563
Miscellaneous .. .. .	1,68,755	3,862	1,72,617
Deduct—Contributions recovered from other Governments, Departments, etc.	—3,50,000	..	—3,50,000
H.—Charges in England—			
A.—Secretary of State for India—			
Payments to His Majesty's Exchequer towards expenses of the departments of the Secretary of State for India ..	13,60,000	..	13,60,000
Other items .. .. .	84,950	37,157	1,22,107
Loss or gain by exchange .. ..	8,455	174	8,629
B.—High Commissioner for India—			
Salaries and Expenses of the High Commissioner's Department .. ..	9,76,331	16,70,022	26,46,353
Other Items .. .. .	6,54,510	32,614	6,87,124
Loss or gain by exchange .. ..	10,112	12,266	22,378
Total .. .. .	1,15,32,928	71,24,346	1,86,57,274
<b>26.—Audit—</b>			
Auditor General .. .. .	65,070	3,39,744	4,04,814
Officers of the Indian Audit Department ..	9,92,013	14,65,938	24,57,951
Account and Audit Offices .. ..	21,518	1,19,24,915	1,19,46,433
Works .. .. .	..	97,301	97,301
Deduct—Establishment charges recovered from other Governments, Departments, etc.	—4,03,498	—48,86,012	—52,89,410
Charges in England .. .. .	2,41,653	28,271	2,69,924
Loss or gain by exchange .. ..	1,535	161	1,696
Total .. .. .	9,18,381	89,70,318	98,88,699

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—  
*contd.*

Heads.  1	Actuals for 1938-39.		Total.  4  Rs.
	Non-voted.	Voted.	
	2 Rs.	3 Rs.	
F.—Civil Administration— <i>contd.</i>			
27.—Administration of Justice—			
Federal Court .. .. .	2,27,000	..	2,27,000
High Courts and Chief Courts .. .. .	..	64,780	64,780
Law Officers .. .. .	39,084	1,19,132	1,58,216
Judicial Commissioner .. .. .	32,837	5,118	37,955
Civil and Sessions Courts .. .. .	53,412	2,09,049	2,62,461
Courts of Small Causes .. .. .	..	48,088	48,088
Criminal Courts .. .. .	59,808	56,359	1,16,167
Charges in England .. .. .	62,580	1,764	64,344
Loss or gain by exchange .. .. .	444	12	456
Total .. .. .	4,75,165	5,04,302	9,79,467
28.—Jails and Convict Settlements—			
Jails .. .. .	1,72,504	1,49,721	3,22,225
Jail Manufactures .. .. .	7,328	7,172	14,500
Convict charges at Port Blair and Nicobars .. .. .	1,20,161	18,73,023	19,93,184
Charges in England .. .. .	47,082	12,423	59,507
Loss or gain by exchange .. .. .	301	86	387
Total .. .. .	3,47,376	20,42,427	23,89,803
9.—Police—			
Presidency Police .. .. .	..	1,23,172	1,23,172
District Executive Force .. .. .	11,36,477	15,23,928	26,60,405
Police Training Schools .. .. .	2,625	3,700	6,325
Railway Police .. .. .	..	70,308	70,308
Transfers to the General Police Fund .. .. .	13,483	17,664	31,147
Deduct—Amount met from the General Police Fund .. .. .	—12,570	—12,784	—25,354
Miscellaneous .. .. .	..	1,550	1,550
Charges in England .. .. .	55,527	14,799	70,326
Loss or gain by exchange .. .. .	409	76	485
Total .. .. .	11,95,951	17,42,413	29,38,364

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—  
*contd.*

Heads.  1	Actuals for 1938-39.		Total.  4 Rs.
	Non-voted. 2 Rs.	Voted. 3 Rs.	
<b>F.—Civil Administration—<i>contd.</i></b>			
<b>30.—Ports and Pilotage—</b>			
<b>A.—Major Ports—</b>			
<b>(1) BENGAL PILOT SERVICE—</b>			
Revenue Account—			
Pay and Allowances of officers and men afloat .. .. .	47,707	1,41,566	1,89,273
Victualling allowances of officers and men afloat .. .. .	1,226	22,937	24,163
Purchase of stores .. .. .	..	99,373	99,373
Repairs and maintenance .. .. .	..	67,712	67,712
Pilotage and Pilot Establishment .. .. .	3,49,952	2,94,906	6,44,858
Charges in England .. .. .	1,57,725	69,992	2,27,717
Loss or gain by exchange .. .. .	952	399	1,351
<b>(2) OTHER CHARGES—</b>			
Direction (Headquarters Establishment)	52,080	5,840	57,920
Principal Officers and their establishments	1,65,861	1,13,823	2,79,684
Shipping offices .. .. .	..	1,54,320	1,54,320
Ship Survey Department .. .. .	1,88,925	57,762	2,46,687
Training Ships .. .. .	25,798	2,72,991	2,98,789
Grants-in-aid to the Vizagapatam Port .. .. .	..	4,35,854	4,35,854
Miscellaneous .. .. .	..	2,468	2,468
Deduct—Establishment charges recovered from other Governments, Departments, etc. .. .. .	—83,634	—10,931	—94,565
Charges in England .. .. .	72,587	30,857	1,03,444
Loss or gain by exchange .. .. .	450	214	664
Total .. .. .	9,79,629	17,60,083	27,39,712
<b>31.—Lighthouses and Lightships—</b>			
Capital Account—			
Lighthouses .. .. .	..	10,796	10,796
Tools, Plant and Equipment .. .. .	..	2,833	2,833
Stock and Suspense .. .. .	..	—4,490	—4,490
Deduct—Amount financed from General Reserve Fund—Lighthouses and Lightships .. .. .	..	—9,139	—9,139
Revenue Account—			
Direction .. .. .	..	66,542	66,542
Lighthouses—Working Expenses .. .. .	7,676	2,39,012	2,46,688
Lightships—Working Expenses .. .. .	2,400	1,79,475	1,81,875
Works .. .. .	..	15,781	15,781
Contribution to Depreciation Reserve Fund .. .. .	..	1,22,345	1,22,345
Contribution to the General Reserve Fund .. .. .	..	2,26,342	2,26,342
Cost of Accounts and Audit .. .. .	..	10,275	10,275
Pensionary and Provident Fund Charges .. .. .	..	17,119	17,119
Miscellaneous .. .. .	..	18,300	18,300
Charges in England .. .. .	..	13,790	13,790
Loss or gain by exchange .. .. .	..	112	112
Total .. .. .	10,076	9,09,093	9,19,169



# No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS— *contd.*

Heads.  1	Actuals for 1938-39.		Total.  4 Rs.
	Non-voted.	Voted.	
	2 Rs.	3 Rs.	
<b>F.—Civil Administration—<i>contd.</i></b>			
<b>32.—Ecclesiastical—</b>			
Ecclesiastical Establishments .. ..	23,08,217	..	23,08,217
Cemetery Establishment .. ..	1,37,911	..	1,37,911
Works .. ..	4,45,196	..	4,45,196
Miscellaneous Ecclesiastical Charges ..	52,211	..	52,211
Charges in England .. ..	7,35,159	..	7,35,159
Loss or gain by exchange .. ..	4,221	..	4,221
<i>Deduct</i> —Charges recovered from other Departments—Railways : Defence ..	—6,58,015	..	—6,58,015
Total ..	30,24,900	..	30,24,900
<b>33.—Payments to Crown Representative—</b>			
Political Department Secretariat ..	7,60,280	..	7,60,280
Education expenditure other than in areas	45,936	..	45,936
Civil Works .. ..	2,59,499	..	2,59,499
Political Pensions .. ..	22,79,344	..	22,79,344
Superannuation Allowances and Pensions	94,918	..	94,918
Rajputana .. ..	7,27,954	..	7,27,954
Central India .. ..	6,16,758	..	6,16,758
Hyderabad .. ..	1,65,628	..	1,65,628
Western India States Agency ..	12,04,438	..	12,04,438
Bangalore .. ..	3,46,264	..	3,46,264
Political Agencies .. ..	27,18,549	..	27,18,549
Miscellaneous .. ..	24,19,900	..	24,19,900
Charges in England .. ..	8,69,217	..	8,69,217
Loss or gain by exchange .. ..	5,201	..	5,201
Total ..	1,26,03,877	..	1,26,03,877
<b>34.—Tribal Areas—</b>			
<b>A.—Frontier Watch and Ward—</b>			
Frontier Constabulary and Militia ..	1,25,29,614	..	1,25,29,614
Buildings and Communications ..	28,57,677	..	28,57,677
Miscellaneous .. ..	2,40,443	..	2,40,443
<b>B.—Other Charges—</b>			
Political and Administrative charges ..	13,85,849	..	13,85,849
Works .. ..	2,73,269	..	2,73,269
Allowances to Frontier Tribes .. ..	8,24,994	..	8,24,994
Entertainment Charges .. ..	3,59,683	..	3,59,683
Economic development of Tribal Areas ..	6,401	..	6,401
Transfer to Fund for Special Frontier Expenditure including development ..	4,00,000	..	4,00,000

# No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS— *contd.*

Heads.  1	Actuals for 1938-39.		Total.  4  Rs.
	Non-voted.	Voted.	
	2 Rs.	3 Rs.	
<b>F.—Civil Administration—<i>contd.</i></b>			
<b>34.—Tribal Areas—<i>concl'd.</i></b>			
<b>B.—Other Charges—<i>concl'd.</i></b>			
Payment to the Baluchistan Administration for Administration of Tribal Areas ..	1,50,000	..	1,50,000
Miscellaneous expenditure .. ..	19,41,194	..	19,41,194
<i>Deduct</i> —Amount transferred from the Fund for Special Frontier expenditure including development .. ..	—12,04,347	..	—12,04,347
<i>Deduct</i> —Charges recovered from other Governments, Departments, Indian States, Local Funds, etc. .. ..	—79,500	..	—79,500
C.—Charges in England .. ..	2,29,736	..	2,29,736
Loss or gain by exchange .. ..	5,458	..	5,458
Total ..	1,99,20,471	..	1,99,20,471
<b>35.—External Affairs—</b>			
External Affairs Department Secretariat ..	5,94,174	..	5,94,174
Charges on account of Diplomatic and Consular Services in Iran .. ..	7,25,225	..	7,25,225
Other Diplomatic and Administrative charges ..	17,18,325	..	17,18,325
Subsidies .. ..	2,11,884	..	2,11,884
Entertainment charges .. ..	29,873	..	29,873
Special Diplomatic Expenditure .. ..	10,00,000	..	10,00,000
Works .. ..	32,642	..	32,642
Refugees and State Prisoners .. ..	2,82,793	..	2,82,793
Miscellaneous .. ..	3,83,681	..	3,83,681
Charges in England .. ..	14,03,198	..	14,03,198
Loss or gain by exchange .. ..	5,110	..	5,110
Total ..	63,86,905	..	63,86,905
<b>36.—Scientific Departments—</b>			
Survey of India .. ..	5,51,038	15,21,893	20,72,931
Botanical Survey .. ..	17,156	43,760	60,916
Zoological Survey .. ..	46,199	1,00,024	1,46,223
Geological Survey .. ..	1,65,476	1,93,082	3,58,558
Exploration of Coal, Petroleum and Minerals..	4,100	..	4,100
Mines Department .. ..	87,279	1,34,964	2,22,243
Archaeological Department .. ..	72,218	9,99,778	10,71,996
Grants-in-aid and Donations to Scientific Societies and Institutes .. ..	..	2,51,000	2,51,000
Meteorological Department .. ..	80,984	18,20,042	19,01,026
Museums .. ..	..	24,617	24,617
Works .. ..	..	16,357	16,357
Charges in England .. ..	2,68,417	3,07,380	5,75,797
Loss or gain by exchange .. ..	1,592	1,810	3,402
Total ..	12,94,459	54,14,707	67,09,166

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—  
*contd.*

Heads. 1	Actuals for 1938-39.		Total.
	Non-voted.	Voted.	
	2 Rs.	3 Rs.	4 Rs.
<b>F.—Civil Administration—<i>contd.</i></b>			
<b>37.—Education—</b>			
<b>A.—University—</b>			
Grants to Universities .. .. .	..	7,63,000	7,63,000
Government Arts Colleges .. .. .	..	88,325	88,325
Grants to non-Government Arts Colleges .. .. .	..	98,443	98,443
Government Professional Colleges .. .. .	..	1,540	1,540
<b>B.—Secondary—</b>			
Government Secondary Schools .. .. .	1,10,916	2,20,302	3,31,218
Direct grants to non-Government Secondary Schools .. .. .	14,781	3,16,402	3,31,183
Grants to local bodies for secondary education .. .. .	..	85,843	85,843
<b>C.—Primary—</b>			
Government Primary Schools .. .. .	1,06,105	78,105	1,84,210
Direct grants to non-Government Primary Schools .. .. .	..	6,100	6,100
Grants to local bodies for primary education .. .. .	..	2,19,609	2,19,609
<b>D.—Special—</b>			
Government Special Schools .. .. .	..	55,241	55,241
Direct grants to non-Government Special Schools .. .. .	9,619	3,000	12,619
<b>E.—General—</b>			
Direction .. .. .	36,793	10,113	10,113
Inspection .. .. .	22,130	66,955	1,03,748
Scholarships .. .. .	7,508	14,004	36,134
Miscellaneous .. .. .	..	19,992	27,500
<b>F.—Charges in England—</b>			
High Commissioner .. .. .	7,853	15,299	23,152
Loss or gain by exchange .. .. .	36	70	106
Total .. .. .	3,15,741	20,62,343	23,78,084
<b>38.—Medical—</b>			
Medical Establishment .. .. .	3,49,054	2,34,698	5,83,752
Hospitals and Dispensaries .. .. .	2,19,717	4,16,091	6,35,808
Grants for medical purposes .. .. .	..	8,22,292	8,22,292
Medical Colleges and Schools .. .. .	1,150	19,110	20,260
Mental Hospitals .. .. .	6,049	1,442	7,491
Charges in England .. .. .	92,771	15,292	1,08,063
Loss or gain by exchange .. .. .	638	116	754
Total .. .. .	6,69,379	15,09,041	21,78,420

# No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS— contd.

Heads. 1	Actuals for 1938-39.		Total. 4
	Non-voted.	Voted.	
	Rs.	Rs.	Rs.
<b>F.—Civil Administration—contd.</b>			
<b>39.—Public Health—</b>			
Public Health Establishment .. ..	1,25,204	2,86,959	4,12,163
Grants for Public Health purposes ..	2,000	3,64,569	3,66,569
Expenses in connection with epidemic diseases	50,529	2,23,064	2,73,593
Bacteriological Laboratories .. ..	74,152	1,47,028	2,21,180
Pasteur Institutes .. ..	..	5,253	5,253
Works .. ..	..	17,128	17,128
Charges in England .. ..	59,380	18,849	78,229
Loss or gain by exchange .. ..	377	117	494
Total ..	3,11,642	10,62,967	13,74,609
<b>40.—Agriculture—</b>			
Agricultural Department .. ..	73,270	7,07,216	7,80,486
Experimental Farms .. ..	14,958	3,14,165	3,29,123
Agricultural Experiments .. ..	28,867	..	28,867
Agricultural Education and Research ..	..	1,70,562	1,70,562
Public Exhibitions and Fairs .. ..	2,900	..	2,900
Imperial Council of Agricultural Research Department .. ..	1,76,574	6,83,523	8,60,097
Scheme for the improvement of Agricultural Marketing in India .. ..	..	4,70,415	4,70,415
Payments from Sugar Excise Duty to Sugar Manufacturing Provinces .. ..	..	15,00,000	15,00,000
Grants-in-aid, Contributions, etc. .. ..	..	7,75,000	7,75,000
Other charges .. ..	..	1,60,887	1,60,887
Works .. ..	..	7,103	7,103
Charges in England .. ..	30,275	71,752	1,02,027
Loss or gain by exchange .. ..	183	483	666
Total ..	3,27,027	48,61,106	51,88,133
<b>41.—Veterinary—</b>			
Superintendence .. ..	5,872	37,007	42,879
Subordinate Establishment .. ..	31,175	..	31,175
Hospitals and Dispensaries .. ..	16,047	..	16,047
Works .. ..	..	44,743	44,743
Other Charges .. ..	24,136	6,06,035	6,30,171
Charges in England .. ..	11,010	30,768	41,778
Loss or gain by exchange .. ..	90	224	314
Total ..	88,330	7,18,777	8,07,107

# No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS— *contd.*

Heads.  1				Actuals for 1938-39.		Total.  4 Rs.	
				Non-voted.	Voted.		
				2 Rs.	3 Rs.		
<b>F.—Civil Administration—<i>contd.</i></b>							
<b>42.—Co-operation—</b>							
Superintendence	..	..	..	..	43,543	43,543	
Grants-in-aid	..	..	..	..	13,470	13,470	
Other charges	..	..	..	..	140	140	
Total				..	140	57,013	57,153
<b>43.—Industries—</b>							
Industries	..	..	..	..	33,195	33,195	
Indian School of Mines	..	..	..	..	429	1,92,416	1,92,845
Grants-in-aid	..	..	..	..	..	5,88,758	5,88,758
Charges in England	..	..	..	..	..	33,686	33,686
Loss or gain by exchange	..	..	..	..	..	284	284
Total				..	429	8,48,339	8,48,768
<b>44.—Aviation—</b>							
Direction, Operation and Inspection	..	..	..	..	10,153	7,03,360	7,13,513
Grants for Aviation purposes	..	..	..	..	..	9,25,333	9,25,333
Works	..	..	..	..	..	3,46,352	3,46,352
Special Services and Miscellaneous Expenditure	..	..	..	..	..	8,72,229	8,72,229
Charges in England	..	..	..	..	3,482	1,22,246	1,25,728
Loss or gain by exchange	..	..	..	..	21	710	731
Total				..	13,656	29,70,230	29,83,886
<b>45.—Broadcasting—</b>							
Headquarters Establishments	..	..	..	..	..	1,63,216	1,63,216
Broadcasting Stations	..	..	..	..	..	15,51,353	15,51,353
Other charges	..	..	..	..	..	3,20,225	3,20,225
Charges in England	..	..	..	..	..	22,041	22,041
Loss or gain by exchange	..	..	..	..	..	137	137
Total				..	..	20,56,972	20,56,972
<b>46.—Indian Stores Department—</b>							
Headquarters Establishment	..	..	..	..	66,345	6,36,745	7,03,090
Purchase Circles	..	..	..	..	..	1,95,746	1,95,746
Inspection Circles	..	..	..	..	22,195	7,23,413	7,45,608
Government Test House	..	..	..	..	..	2,56,464	2,56,464
Metallurgical Inspectorate	..	..	..	..	..	1,67,994	1,67,994

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—  
*contd.*

Heads.  1	Actuals for 1938-39.		Total.  4  Rs.
	Non-voted. 2 Rs.	Voted. 3 Rs.	
F.—Civil Administration— <i>concl'd.</i>			
46.—Indian Stores Department— <i>concl'd.</i>			
Industrial Research Bureau .. .. .	..	1,73,065	1,73,065
Works .. .. .	..	6,648	6,648
Charges in England .. .. .	25,892	33,159	59,051
Loss or gain by exchange .. .. .	159	959	1,118
Total ..	1,14,591	21,94,193	23,08,784
47.—Miscellaneous Departments—			
Labour and Emigration—			
Emigration .. .. .	1,62,781	1,39,105	3,01,886
Inspector of Factories .. .. .	..	53	53
Inspection and Test—			
Explosives .. .. .	..	1,47,975	1,47,975
Inspector of Steam Boilers .. .. .	8,228	24,336	32,564
Statistics—			
Bureau of Commercial Intelligence including Statistics .. .. .	71,708	6,53,427	7,25,135
Census .. .. .	2,047	5,174	7,221
Provincial Statistics .. .. .	..	600	600
Miscellaneous—			
Registration of Accountants .. .. .	..	21,942	21,942
Examinations .. .. .	760	2,178	2,938
Superintendent of Insurance .. .. .	..	30,766	30,766
Imperial Library .. .. .	..	39,057	39,057
Controller of Patents and Designs .. .. .	18,419	79,873	98,292
Indian War Memorial .. .. .	..	2,664	2,664
Registrar of Joint Stock Companies .. .. .	..	1,45,730	1,45,730
Administration of Indian Partnership Act, 1932 .. .. .	50	1,200	1,250
Charges in England .. .. .	21,728	50,998	72,726
Loss or gain by exchange .. .. .	136	259	395
Total ..	2,85,857	13,45,337	16,31,194
FF.—Civil Administration—Capital Account within the Revenue Account—			
44-A.—Capital Outlay on Civil Aviation—			
A.—Civil Aviation—			
Works .. .. .	..	17,73,541	17,73,541
Equipment .. .. .	..	38,584	38,584
Establishment .. .. .	12,784	12,087	24,871

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—  
*contd.*

Heads.	Actuals for 1938-39.		Total.
	Non-voted. 2 Rs.	Voted. 3 Rs.	
1			4 Rs.
FF.—Civil Administration—Capital Account within the Revenue Account— <i>concl'd.</i>			
44-A.—Capital Outlay on Civil Aviation— <i>concl'd.</i>			
B.—Meteorological—			
Works .. .. .	..	2,44,041	2,44,041
Equipment .. .. .	..	12,804	12,804
Deduct—Receipts and Recoveries on Capital Account .. .. .	..	—1,34,056	—1,34,056
Deduct—Amount transferred from the Fund for the Development of Civil Aviation .. .. .	—12,784	—19,47,001	—19,59,785
Total .. .. .	..	..	..
45-A.—Capital Outlay on Broadcasting—			
Works .. .. .	..	1,71,539	1,71,539
Equipment .. .. .	..	5,95,517	5,95,517
Installation Department .. .. .	..	55,921	55,921
Deduct—Amount met from the Fund for Development of Broadcasting .. .. .	..	—8,22,977	—8,22,977
Total .. .. .	..	..	..
G.—Currency and Mint—			
48.—Currency—			
Currency Note Printing Press—			
1. Capital Account—			
Buildings .. .. .	..	56	56
Plant and Machinery .. .. .	..	20,870	20,870
Miscellaneous .. .. .	..	91	91
Deduct—Depreciation .. .. .	..	—68,288	—68,288
Charges in England .. .. .	..	1,16,708	1,16,708
Loss or gain by exchange .. .. .	..	816	816
2. Revenue Account—			
(i) Working Expenses .. .. .	18,644	12,94,149	13,12,793
(ii) Interest on Capital .. .. .	1,18,484	..	1,18,484
Miscellaneous .. .. .	..	27	27
Charges in England .. .. .	16,013	..	16,013
Loss or gain by exchange .. .. .	96	..	96
Total .. .. .	1,53,237	13,64,429	15,17,666
49.—Mint—			
Mint Master's Establishment and Contingencies .. .. .	84,327	13,52,696	14,37,023
Loss on Coinage .. .. .	..	11,163	11,163
Purchase of local stores .. .. .	..	4,30,629	4,30,629
Works .. .. .	..	59,066	59,066
Charges in England .. .. .	30,684	88,322	1,19,006
Loss or gain by exchange .. .. .	180	569	749
Total .. .. .	1,15,191	19,42,445	20,57,636

# No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS— contd.

Heads. 1	Actuals for 1938-39.		Total. 4 Rs.
	Non-voted. 2 Rs.	Voted. 3 Rs.	
H.—Civil Works and Miscellaneous Public Improvements—			
50.—Civil Works—			
Original Works—Buildings—			
Customs .. .. .	..	1,80,660	1,80,660
Taxes on Income .. .. .	..	32,160	32,160
Salt .. .. .	..	12,946	12,946
Opium .. .. .	..	203	203
Land Revenue .. .. .	2,950	300	3,250
Provincial Excise .. .. .	..	2,983	2,983
Forest .. .. .	..	40,024	40,024
General Administration .. .. .	4,31,793	6,85,067	11,16,860
Audit .. .. .	..	22,611	22,611
Administration of Justice .. .. .	..	3,887	3,887
Jails and Convict Settlements .. .. .	38,490	24,717	63,207
Police .. .. .	1,12,635	2,672	1,15,307
Ports and Pilotage .. .. .	..	168	168
External Affairs .. .. .	69,078	..	69,078
Scientific Departments .. .. .	..	12,071	12,071
Education other than European and Anglo- Indian Education .. .. .	12,697	8,049	20,746
Medical .. .. .	1,386	8,501	9,887
Public Health .. .. .	850	4,031	4,881
Agriculture .. .. .	62	5,00,714	5,00,776
Veterinary .. .. .	269	..	269
Industries .. .. .	..	2,736	2,736
Currency .. .. .	..	50	50
Mint .. .. .	..	58,211	58,211
Civil Works .. .. .	3,995	9,007	13,002
Stationery and Printing .. .. .	..	2,359	2,359
Miscellaneous Departments .. .. .	1,216	17,164	18,380
Original Works—Communication .. .. .	49,108	4,95,068	5,44,176
Original Works—Miscellaneous .. .. .	40,236	35,332	75,568
Repairs—			
Buildings .. .. .	10,33,457	26,60,164	36,93,621
Communication .. .. .	3,15,152	8,39,476	11,54,628
Miscellaneous .. .. .	1,481	6,28,932	6,30,413
Establishment .. .. .	8,50,186	10,41,007	18,91,193
Tools and Plant .. .. .	26,367	1,72,762	1,99,129
Grants-in-aid .. .. .	438	1,44,744	1,45,182
Suspense .. .. .	73,692	12,327	86,019
Block Grant for transfer to Central Road Fund .. .. .	..	1,56,00,000	1,56,00,000
Deduct—Amount met from Central Road Fund .. .. .	—69,143	—1,29,383	—1,98,526
Deduct—Amount met from subvention from Central Road Fund .. .. .	..	—5,45,279	—5,45,279
Deduct—Amount recovered from the Crown Representative's Department for works per- taining to that Department .. .. .	..	—6,000	—6,000
Deduct—Amount transferred from the Fund for Economic Development and Improvement of Rural Areas .. .. .	—8,734	—4 85,607	—4,94,341
Charges in England .. .. .	70,087	18,813	88,900
Loss or gain by exchange .. .. .	490	92	582
Total .. .. .	30,58,238	2,21,13,739	2,51,71,977



No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—  
contd.

Heads. 1	Actuals for 1938-39.		Total 4 Rs.
	Non-voted. 2 Rs.	Voted. 3 Rs.	
J.—Miscellaneous—			
54.—Famine—			
A.—Famine Relief—			
Salaries and Establishment	..	14,516	14,516
Total	..	14,516	14,516
55.—Superannuation Allowances and Pensions—	1,69,01,744	58,59,852	2,27,61,596
Superannuation and Retired Allowances			42,93,128
Equated payments of commuted value of pen- sions transferred from Capital (outside the Revenue Account)	16,94,847	25,98,291	2,49,850
Compassionate Allowances	76,628	1,73,222	56,950
Gratuities	8,038	48,912	3,14,561
Pensions for distinguished and meritorious ser- vices or for political considerations	3,10,690	3,871	2,021
Charitable Allowances	2,021	..	28,031
Pensions, etc., under the War Risks Compensa- tion Scheme	..	28,031	14,074
Special pensions connected with War, 1914	..	656	621
Pensions to the dependents of deceased lascars (ex-German Ships) interned during the War in Germany	..	621	2,00,218
Donations to Service Funds	52,383	1,47,835	4,951
Donations to Provident Funds	4,951	..	15,592
Pensions of the Military Fund	15,592	..	1,587
Pensions of the Military Orphan Fund	1,587	..	47,321
Pensions of the Medical Retiring Fund	47,321	..	11,963
Pensions under the Indian Civil Service (Non- European Members) Family Pension Rules	11,963	..	1,22,785
Government contribution payable under the Indian Civil Service Family Pension Rules	1,22,785	..	9,565
Covenanted Civil Service Pensions	9,565	..	15,916
Pensions of the Bengal Civil Fund	15,916	..	2,666
Pensions of the Madras Civil Fund	2,666	..	1,62,70,345
Pensions of the Bombay Civil Fund	1,45,02,144	17,68,201	89,111
Charges in England	78,638	10,473	—1,62,41,137
Loss or gain by exchange	..	—79,944	—1,28,535
De deduct—Actual amount of pensions recovered from other Governments	—1,61,61,193	—1,17,900	2,81,43,836
Deduct—Pensionary charges transferred to Commercial Departments	—10,635	..	..
Total	1,76,87,651	1,04,56,185	..

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—  
*contd.*

Heads. 1	Actuals for 1938-39.		Total. 4 Rs.
	Non-voted. 2 Rs.	Voted. 3 Rs.	
<b>J.—Miscellaneous—<i>contd.</i></b>			
<b>56.—Stationery and Printing—</b>			
<b>I.—Stationery—</b>			
Stationery Offices and Stores .. ..	6,250	11,59,550	11,65,800
Purchase of Stationery Stores .. ..	..	61,80,107	61,80,107
Stationery supplied by other Governments .. ..	..	1,137	1,137
Discount on plain paper used with stamps .. ..	259	322	581
<i>Deduct</i> —Value of stationery supplied to other Gov- ernments and paying departments .. ..	..	—24,01,194	—24,01,194
<b>II.—Printing—</b>			
Government Presses .. ..	33,994	18,84,727	19,18,721
Printing at private Presses .. ..	..	9,689	9,689
Lithography .. ..	..	1,356	1,356
Cost of printing work done by other Govern- ments .. ..	..	1,09,144	1,09,144
<i>Deduct</i> —Cost of printing work done for other Governments and paying departments .. ..	..	—19,25,916	—19,25,916
Charges in England .. ..	11,849	2,58,666	2,70,515
Loss or gain by exchange .. ..	86	1,036	1,122
Total .. ..	52,438	52,78,624	53,31,062
<b>57.—Miscellaneous—</b>			
Cost of books and periodicals .. ..	..	62,610	62,610
Donations for charitable purposes .. ..	1,464	8,234	9,748
Special Commissions of Enquiry .. ..	37,522	1,36,712	1,74,234
Pilgrimage beyond India .. ..	1,200	33,216	34,416
Petty Establishments .. ..	..	56,074	56,074
Irrecoverable temporary loans and advances written off .. ..	2,041	1,28,266	1,30,307
Rents, rates and taxes .. ..	..	2,78,183	2,78,183
Contributions .. ..	1,770	4,00,740	4,02,510
Miscellaneous Compensations .. ..	3,47,247	3,77,029	7,24,276
Kidderpore Orphananj Market (Bengal) .. ..	..	44,436	44,436
Miscellaneous Durbar Charges .. ..	47,894	..	47,894
Charges in connection with the celebration in India of His Majesty's Coronation .. ..	..	1,782	1,782
Payments arising out of the Military Lands Scheme, Bombay .. ..	2,000	20,034	22,034
Expenditure on account of State Prisoners and Detenus .. ..	..	2,908	2,908
Net loss by exchange on Remittance transactions .. ..	..	3,42,413	3,42,413
Loss by exchange on local transactions .. ..	1,121	5,932	7,103
Miscellaneous and unforeseen charges .. ..	20,822	34,072	54,894
Soldiers Boards .. ..	2,400	13,872	16,272
Works .. ..	..	12,365	12,365
Charges in England .. ..	83,580	2,23,463	3,07,046
Loss or gain by exchange .. ..	596	1,969	2,565
Total .. ..	5,49,657	21,84,333	27,34,004

# No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS— contd.

Heads.  1	Actuals for 1938-39.		Total.  4 Rs.
	Non-voted. 2 Rs.	Voted. 3 Rs.	
<b>JJ.—Miscellaneous—Capital Account within the Revenue Account—</b>			
<b>55-A.—Commutation of Pensions financed from Ordinary Revenues—</b>			
Amount transferred from "83—Payments of Commuted value of Pensions" .. ..	6,978	34,720	41,698
Total ..	6,978	34,720	41,698
<b>K.—Defence Services—</b>			
<b>58.—Defence Services—Effective—</b>			
<b>I.—Charges in India—</b>			
1. Fighting Services .. ..	13,52,45,811	..	13,52,45,811
2. Administrative Services .. ..	6,52,43,500	..	6,52,43,500
3. Manufacturing Establishments (including Stores) .. ..	2,97,58,986	..	2,97,58,986
4. Army Headquarters, Staff of Commands, etc. .. ..	1,98,65,417	..	1,98,65,417
5. Purchase and Sale of Stores, Equipment and Animals (other than those purchased direct by Manufacturing Establishments, Military Engineer Services, Royal Air Force and Royal Indian Navy) ..	3,27,02,670	..	3,27,02,670
6. Special Services .. ..	10,53,013	..	10,53,013
7. Transportation, Conservancy, Hot Weather Establishments and Miscellaneous ..	1,96,04,024	..	1,96,04,024
8. Military Engineer Services (including Stores) .. ..	3,44,47,106	..	3,44,47,106
9. Auxiliary and Territorial Forces .. ..	58,31,313	..	58,31,313
10. Royal Air Force (including stores) ..	1,33,77,331	..	1,33,77,331
11. Royal Indian Navy (including stores) ..	76,67,773	..	76,67,773
12. Quetta Reconstruction .. ..	84,72,834	..	84,72,834
<b>II.—Charges in England—</b>			
1. Fighting Services .. ..	2,92,43,898	..	2,92,43,898
2. Administrative Services .. ..	41,49,147	..	41,49,147
3. Manufacturing Establishments (including stores) .. ..	46,35,785	..	46,35,785
4. Army Headquarters, Staff of Commands, etc. .. ..	11,22,387	..	11,22,387
5. Purchase and sale of Stores, Equipment and Animals (other than those purchased direct by Manufacturing Establishments, Military Engineer Services, Royal Air Force and Royal Indian Navy) ..	78,66,692	..	78,66,692
6. Special Services .. ..	2,58,657	..	2,58,657
7. Transportation, Conservancy, Hot Weather Establishments and Miscellaneous ..	66,75,519	..	66,75,519
8. Military Engineer Services (including stores) .. ..	3,75,031	..	3,75,031
10. Royal Air Force (including stores) ..	84,31,921	..	84,31,921
11. Royal Indian Navy (including stores) ..	9,63,235	..	9,63,235
12. Quetta Reconstruction .. ..	57,475	..	57,475
Loss or gain by exchange .. ..	3,95,077	..	3,95,077
Total ..	43,74,44,602	..	43,74,44,602

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—  
*contd.*

Heads. 1	Actuals for 1938-39.		Total. 4 Rs.
	Non-voted. 2 Rs.	Voted. 3 Rs.	
<b>K.—Defence Services—<i>concl'd.</i></b>			
<b>59.—Defence Services—Non-Effective—</b>			
I.—Charges in India—			
1. Army .. .. .	3,74,00,104	..	3,74,00,104
2. Royal Air Force .. .. .	13,860	..	13,860
3. Royal Indian Navy .. .. .	1,69,628	..	1,69,628
II.—Charges in England—			
1. Army . . . . .	4,64,39,090	..	4,64,39,090
2. Royal Air Force .. .. .	5,15,973	..	5,15,973
3. Royal Indian Navy .. .. .	8,33,692	..	8,33,692
Loss or gain by exchange .. .. .	3,15,847	..	3,15,847
Total ..	8,56,88,194	..	8,56,88,194
60.—Transfers to or from Defence Reserve Fund	—24,42,641	..	—24,42,641
<b>L.—Contributions and Miscellaneous Adjustments between Central and Provincial Governments—</b>			
<b>61.—Grants-in-aid to Provincial Governments—</b>			
Grants-in-aid to the Government of United Provinces .. .. .	25,00,000	..	25,00,000
Grants-in-aid to the Government of Assam .. .. .	30,00,000	..	30,00,000
Grants-in-aid to the Government of North-West Frontier Province .. .. .	1,00,00,000	..	1,00,00,000
Grants-in-aid to the Government of Orissa .. .. .	43,00,000	..	43,00,000
Grants-in-aid to the Government of Sind .. .. .	1,05,00,000	..	1,05,00,000
Grants-in-aid to the Government of Coorg .. .. .	..	1,71,600	1,71,600
Total ..	3,03,00,000	1,71,600	3,04,71,600
<b>62.—Miscellaneous Adjustments between Central and Provincial Governments—</b>			
Contributions to the Provincial Governments on account of Agency functions in respect of Petroleum and Explosives Acts—			
Madras .. .. .	..	27,361	27,361
Bombay .. .. .	..	28,386	28,386
Bengal .. .. .	..	30,452	30,452
United Provinces .. .. .	..	19,268	19,268
Punjab .. .. .	..	6,979	6,979
Bihar .. .. .	..	16,174	16,174
Central Provinces and Berar .. .. .	..	12,354	12,354
Assam .. .. .	..	3,178	3,178
North-West Frontier Province .. .. .	..	903	903
Orissa .. .. .	..	1,736	1,736
Sind .. .. .	..	4,222	4,222
Share of the Government of the Punjab in the net income received by the Central Government from the Dhar Estate in Simla .. .. .	..	10,200	10,200
Total ..	..	1,61,213	1,61,213

# No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS— contd.

Heads.  1	Actuals for 1938-39.		Total.  4 Rs.
	Non-voted.	Voted.	
	2 Rs.	3 Rs.	
<b>III.—Extraordinary Items—</b>			
<b>63.—Extraordinary Charges—</b>			
Charges in India .. .. .	1,14,001	239	1,14,240
Charges in England .. .. .	1,081	2,158	3,239
Loss or gain by exchange .. .. .	7	14	21
Total ..	1,15,089	2,411	1,17,500
<b>Capital Accounts outside the Revenue Account—</b>			
<b>B3.—Railway Capital Account outside the Revenue Account—</b>			
<b>67-A.—Construction of State Railways—Commercial—</b>			
I. Preliminary Expenses .. .. .	..	—1,04,520	—1,04,520
II. Land .. .. .	..	52,236	52,236
III. Structural Engineering Works .. .. .	..	98,73,388	98,73,388
IV. Equipment .. .. .	..	—1,22,886	—1,22,886
V. Rolling Stock .. .. .	..	53,45,217	53,45,217
VI. General Charges .. .. .	21,137	—4,39,499	—4,18,362
VII. Collieries .. .. .	2,536	—8,39,708	—8,37,172
VIII. Miscellaneous .. .. .	788	1,92,275	1,93,063
IX. Suspense .. .. .	46,882	88,51,375	88,98,257
X. Purchase of Railway Line .. .. .	..	8,000	8,000
Deduct—Receipts on Capital Account .. .. .	..	—3,43,965	—3,43,965
Total ..	71,343	2,24,71,913	2,25,43,256
<b>67-B.—Construction of State Railways—Strategic—</b>			
II. Land .. .. .	..	48,608	48,608
III. Structural Engineering Works .. .. .	..	10,32,124	10,32,124
IV. Equipment .. .. .	..	36,400	36,400
V. Rolling Stock .. .. .	..	—1,19,474	—1,19,474
VI. General Charges .. .. .	37,307	1,13,845	1,51,152
IX. Suspense .. .. .	..	—3,54,771	—3,54,771
Deduct—Receipts on Capital Account .. .. .	..	—3,874	—3,874
Total ..	37,307	7,52,858	7,90,165

# No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS— *contd.*

Heads.  1	- Actuals for 1938-39.		Total.  4  Rs.
	Non-voted. 2 Rs.	Voted. 3 Rs.	
<b>Capital Accounts outside the Revenue Account—<i>contd.</i></b>			
<b>BB.—Railway Capital Account outside the Revenue Account—<i>concl'd.</i></b>			
<b>67-C.—Capital contributed by Railway Companies towards outlay on State Railways—Discharge of Debentures.</b>			
	4,10,50,818	..	4,10,50,818
<b>CC.—Capital Account of Irrigation, Navigation, Embankment and Drainage Works outside the Revenue Account—</b>			
<b>68.—Construction of Irrigation, Navigation, Embankment and Drainage Works—</b>			
<b>A.—Irrigation Works—</b>			
<b>(1) Productive—</b>			
Works .. .. .	18,525	..	18,525
Establishment .. .. .	12,485	..	12,485
Tools and Plant .. .. .	23	..	23
Deduct—Receipts and Recoveries on Capital Account .. .. .	—2,882	..	—2,882
<b>(2) Unproductive—</b>			
Works .. .. .	2,301	..	2,301
Establishment .. .. .	579	..	579
Deduct—Amount financed from Ordinary Revenues .. .. .	—31,031	..	—31,031
Total .. .. .	..	..	..
<b>DD.—Posts and Telegraphs Capital Account outside the Revenue Account—</b>			
<b>69.—Capital Outlay on Posts and Telegraphs—</b>			
A.—Capital outlay on New Assets .. .. .	..	2,66,38,405	2,66,38,405
Deduct—Portion of Capital Outlay financed from Ordinary Revenues .. .. .	..	—3,95,601	—3,95,601
Total .. .. .	..	2,62,42,804	2,62,42,804
<b>EE.—Civil Administration—Capital Account outside the Revenue Account—</b>			
<b>71.—Capital outlay on Schemes of Agricultural Improvement and Research—</b>			
Transfer of Imperial Institute of Agricultural Research from Pusa to Delhi .. .. .	..	20,389	20,389
<b>73.—Capital Outlay on Vizagapatam Port—</b>			
Land .. .. .	..	—15,078	—15,078
Reclamation .. .. .	..	34,418	34,418
Works .. .. .	..	37,983	37,983
Suspense .. .. .	..	—35,251	—35,251
Total .. .. .	..	22,072	22,072

# No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS— *concl'd.*

Heads.  1	Actuals for 1938-39.		Total.  4  Rs.
	Non-voted.	Voted.	
	2 Rs.	3 Rs.	
Capital Accounts outside the Revenue Account— <i>concl'd.</i>			
HH.—Capital Account of Civil Works and Miscellaneous Public Improvements outside the Revenue Account—			
78.—Initial Expenditure on New Capital at Delhi—			
Works .. .. .	..	8,51,611	8,51,611
Establishments .. .. .	..	1,23,484	1,23,484
Tools and Plant .. .. .	..	12,774	12,774
Total ..	..	9,87,869	9,87,869
JJ.—Miscellaneous Capital Account outside the Revenue Account—			
83.—Payments of commuted value of Pensions—			
(a) Payments in India .. .. .	22,87,727	21,54,638	44,42,365
(b) Payments in England—			
Par Value .. .. .	11,18,894	25,320	11,44,214
Loss or gain by exchange .. .. .	5,869	162	6,031
Deduct—			
(1) Amount financed from ordinary revenues	—6,978	—34,720	—41,698
(2) Amount recovered from other Governments .. .. .	—9,89,533	—8,84,518	—18,74,051
(3) Capital portion of equated Payments out of revenue .. .. .	—15,62,655	—30,22,525	—45,85,180
Total ..	8,53,324	—17,61,643	—9,08,319
85.—Payments to Retrenched Personnel—			
Deduct—Repayments out of revenue .. .. .	..	—498	—498
Total ..	..	—498	—498

# No. 6.—STATEMENT OF CAPITAL EXPENDITURE OUTSIDE THE REVENUE ACCOUNT DURING AND TO END OF THE YEAR.

Heads.	1	Expenditure during 1938-39.	Expenditure to end of 1938-39.
		2 Rs.	3 Rs.
<b>66.—Capital Outlay on the Security Printing Press—</b>			
Land .. .. .	..		11,094
Buildings .. .. .	..		29,70,391
Plant and Machinery .. .. .	..		9,38,706
Minor Equipment .. .. .	..		64,236
Miscellaneous .. .. .	..		55,803
Deduct—Depreciation .. .. .	..		—14,06,235
	<b>Total</b>		26,43,895
Deduct—Expenditure Financed from ordinary Revenues .. .. .	..		—19,51,198
Net expenditure outside the revenue account .. .. .	..	..	6,92,697
<b>67.-A.—Construction of State Railways—</b>			
Commercial—			
State Railways worked by the State—			
East Indian .. .. .	..	61,55,441	1,48,41,37,174(a)
Eastern Bengal .. .. .	..	22,45,919	51,71,14,998
Great Indian Peninsula .. .. .	..	—37,68,764	1,14,21,85,152(b)
North Western .. .. .	..	22,35,523	1,13,57,94,048(c)
Railway Collieries .. .. .	..	—3,54,478	1,80,23,438
	<b>Total</b>	65,13,641	4,29,72,54,810
State Railways worked by Companies and Indian States—			
Assam Bengal .. .. .	..	33,10,299	24,48,42,069
Bengal Nagpur .. .. .	..	48,56,747	77,64,58,805(d)
Bezwada Extension .. .. .	..	108	18,06,310
Bombay, Baroda and Central India .. .. .	..	24,07,764	74,07,95,105
Jodhpur (British Section) .. .. .	..	5,73,156	1,24,14,231
Lucknow-Bareilly (R. & K.) .. .. .	..	6,27,190	2,63,40,814
Madras and Southern Mahratta .. .. .	..	88,146	53,28,24,980(d)
South Indian .. .. .	..	25,57,526	45,94,18,932
Tirhoot (Bengal and N. Western) .. .. .	..	15,13,457	10,24,80,739
Dhone Kurnool .. .. .	..	2,741	27,57,610
Jorhat .. .. .	..	..	13,22,074
	<b>Total</b>	1,59,37,134	2,90,14,62,278
Miscellaneous—			
Exchange .. .. .	..	92,481	1,37,28,702
<b>Total—Commercial</b>	..	2,25,43,256	7,21,24,45,790

(a) Includes corrections in last year's figures due to exclusion of 29,82,766 representing outlay on Telegraph Wires already included in the capital expenditure of Telegraphs, transfer of 9,27,527 from E. I. R. to N. W. R. and 48,649 (Commercial) and 5,131 (Strategic) from N. W. R. to E. I. R.

(b) Includes corrections in last year's figures due to exclusion of 15,74,795 representing outlay on Telegraph Works already included in the capital expenditure of Telegraphs.

(c) Includes corrections in last year's figures due to transfer of 9,27,527 from E. I. R. to N. W. R. and Rs. 48,649 from N. W. R. to E. I. R.

(d) Includes corrections in last year's figures due to exclusion of debentures discharged.



No. 6.—STATEMENT OF CAPITAL EXPENDITURE OUTSIDE THE REVENUE ACCOUNT DURING AND TO END OF THE YEAR—*contd.*

Heads.						Expenditure during 1938-39.	Expenditure to end of 1938-39.
1						2	3
						Rs.	Rs.
67.-B.—Construction of State Railways—							
Strategic—							
North Western .. .. .						7,90,165	34,01,14,108(a)
67.—C.—Capital contributed by Railway Companies towards outlay on State Railways— .. .. .						4,10,50,818	—30,01,25,384(b)
68.—Construction of Irrigation, Navigation, Embankment and Drainage Works—							
A.—Irrigation Works—							
(1) Productive—							
Nasirabad Section of the Lloyd Barrage and Canals systems ..						28,151	1,08,25,204
Deduct—Outlay financed from Ordinary Revenues .. ..						—28,151	—28,151
Net expenditure outside the revenue Account .. ..						..	1,07,97,053
(2) Unproductive—							
Baluchistan—							
Pishin Canal.. .. .						2,880	29,04,825
Nari Weir Canal .. .. .						..	6,28,454
Rajputana—							
Tank Projects .. .. .						..	28,36,132
.. .. .						2,880	63,69,411
Deduct—Amount financed from ordinary revenue .. ..						—2,880	—63,69,411
Net expenditure outside the Revenue Account .. ..						..	..
Total Irrigation, etc., Works .. ..						..	1,07,97,053
69.—Capital outlay on Posts and Telegraphs—							
Post Office .. .. .						..	1,48,02,609
Telegraphs .. .. .						16,28,703	11,53,64,276
Telephones .. .. .						15,60,548	2,87,83,090
Radio .. .. .						3,38,924	34,68,574
Total .. .. .						35,28,175	16,24,18,549(c)
Deduct—Amount debited to Telephone Development Fund under P. Deposits and Advances—Part II—Deposits not bearing interest—B. Reserve Funds .. .. .						—22,85,371	—22,85,371
Net .. .. .						12,42,804	16,01,33,178
Appropriation to the Telephone Development Fund .. ..						2,50,00,000	2,50,00,000
Net expenditure outside the Revenue Account .. ..						2,62,42,804	18,51,33,178

(a) Includes corrections in last year's figures due to transfer of Rs. 5,131 from N. W. R. to E. I. R. (Commerical).

(b) Includes corrections in last year's figures due to exclusion of debentures as mentioned in footnote (d) on pre-page.

(c) Includes a net amount of Rs. 2,38,477 removed from the Block Capital Account up to the end of 1937-38 without any financial adjustment.

No. 6.—STATEMENT OF CAPITAL EXPENDITURE OUTSIDE THE REVENUE ACCOUNT DURING AND TO END OF THE YEAR—*concl'd.*

Heads.	Expenditure during 1938-39.	Expenditure to end of 1938-39.
1	2	3
	Rs.	Rs.
<b>71.—Capital Outlay on Schemes of Agricultural Improvement and Research—</b>		
Transfer of Imperial Institute of Agricultural Research from Pusa to Delhi .. .. .	20,389	32,78,452
<b>78.—Capital Outlay on Vizagapatam Port—</b>		
Preliminary Expenses .. .. .	..	1,43,070
General Charges .. .. .	..	30,31,702
Land .. .. .	—15,078	37,74,193
Dredging .. .. .	..	76,11,160
Reclamation .. .. .	34,418	32,02,285
Works .. .. .	37,983	1,18,23,454
Suspense .. .. .	—35,251	2,16,841
Interest during Construction .. .. .	..	89,14,026
Deduct—Receipts and Recoveries on Capital Account .. .. .	..	—5,46,056
<b>Total</b> .. .. .	<b>22,072</b>	<b>3,81,70,675</b>
<b>77.—Currency Capital Account—</b>		
Payments to the Reserve Bank of India under Section 46 of the Reserve Bank of India Act .. .. .	..	5,18,99,269
Currency Note Printing Press .. .. .	..	16,47,305
<b>Total Currency Capital Outlay</b> .. .. .	<b>..</b>	<b>5,35,46,574</b>
<b>78.—Initial Expenditure on New Capital at Delhi—</b>		
Works .. .. .	8,51,611	13,64,78,174
Establishments .. .. .	1,23,484	2,22,44,414
Tools and Plant .. .. .	12,774	97,24,858
Stock and Suspense .. .. .	..	12,24,195
Miscellaneous .. .. .	..	71,48,119
Deduct—Receipts and recoveries on Capital Account .. .. .	..	(a) —1,99,89,324
<b>Total</b> .. .. .	<b>9,87,869</b>	<b>(a) 15,68,30,436</b>
<b>83.—Payments of commuted value of Pensions</b> .. .. .	<b>—9,08,319</b>	<b>5,57,59,976</b>
<b>84.—Capital outlay on Bombay Land Scheme</b> .. .. .	<b>..</b>	<b>2,31,11,835</b>
<b>85.—Payments to Retrenched Personnel</b> .. .. .	<b>—498</b>	<b>..</b>
<b>GRAND TOTAL</b> .. .. .	<b>9,07,48,556</b>	<b>7,77,97,55,390</b>

(a) Includes a correction of Rs. 1,21,803 in the expenditure up to the end of 1937-38.



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**B.—DEBT, DEPOSIT AND REMITTANCE ACCOUNTS.**

**PART I—REPORT.**

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## B.—DEBT, DEPOSIT AND REMITTANCE ACCOUNTS.

### 1.—Report.

#### INTRODUCTORY.

1. Disbursements under debt, deposit and remittance heads, although involving temporary appropriations of Government funds, are not ordinarily regarded as expenditure within the meaning of Section 67A(5) of the Government of India Act, as set out in the 9th Schedule of the Government of India Act, 1935, and, except in a few specified cases, are not required to be submitted to the Legislature in the form of demands for grants. It is, however, essential to maintain a complete and progressive record of the debt, deposit, advance, suspense and remittance transactions, as they cannot be ignored when considering the financial position of Government. The management of various receipts and disbursements under these heads constitutes a vital part of the machinery of financial administration. This part of the report contains a record of these transactions and its object is, in the first place, to give a complete enumeration of balances under debt, deposit and remittance heads and, in the second place, to review the current state of the accounts under each head.

2. The elaborate account of the origin and nature of certain transactions which was given in the Report for the year 1937-38 has been omitted from this Report. The explanatory matter has been restricted to an explanation of the head of account itself.

3. Except where stated otherwise, the balances in this part of the report under each head have been duly verified and found to agree with those shown in the separate registers or other records maintained in the Account Office for the purpose in accordance with the prescribed rules and have also been accepted as correct by responsible officers concerned where necessary ; the terms and conditions of loans, etc., have been fulfilled and repayments made regularly ; the debits and credits during the year to the various reserve funds and deposit accounts of grants, etc., were for amounts authorised by the relevant Acts or rules of the funds or accounts and there were no diversions for purposes other than those for which the funds were constituted or the grants were made.

4. The following is the general statement of balances in India and England, of the Central Government on the 31st March 1939.

### I.—Balances in India.

Debit Balance. Rs.	Section of the General Account.	Name of Account.	Page.	Credit Balance. Rs.
5,50,44,67,099	A to M and S (11).	Government	89	
	N	Public Debt .. ..	92	4,84,82,51,132
	O	Unfunded Debt .. ..	98	2,25,12,89,212
	P	Deposits and Advances—		
		(i) Deposits bearing interest ..	108	
		Gross balance .. ..		28,15,33,742
80,94,211		Investments		
		(ii) Deposits not bearing inte- rest .. ..	111	
		Gross balance .. ..		31,22,02,518
667		Investments		
1,75,26,776		(iii) Advances not bearing inte- rest .. ..	130	
		(iv) Suspense .. ..	143	
1,51,47,274		Investments.		
59,53,74,625		Other items.		
		(v) Miscellaneous .. ..	154	42,090
	Q	Loans and advances by the Cen- tral Government .. ..	156	
1,23,28,09,843		(i) Advances to Provincial Governments.		
20,71,08,321		(ii) Other Loans.		
	S(I)	Remittances .. ..	164	1,09,25,070
12,37,14,948	V	Cash Balance (Closing) ..	172	
<hr/> 7,70,42,43,764 <hr/>		Total .. ..		<hr/> 7,70,42,43,764 <hr/>

## II.—Balances in England.

### FINANCE ACCOUNTS. CENTRAL GOVERNMENT.

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Total. £	Debit Balance.		Section of the General Account.	Name of Account.	Pago.	Credit Balance.		Total. £
	High Commissioner. £	Secretary of State. £				Secretary of State. £	High Commissioner. £	
346,448,904	..	346,448,904	A to M and S (II).	Government ..	.. 89	..	180,462	180,462
			N	Public Debt ..	.. 92	348,711,510	..	348,711,510
			O	Unfunded Debt ..	.. 98	3,133,340	..	3,133,340
			P	Deposits and Advances— (ii) Deposits not bearing inter- est ..	.. 111			
				Gross balance ..	.. ..	7,500,000	..	7,500,000
7,499,963	..	7,499,963		Investments.				
4,998	2,631	2,367		(iii) Advances not bearing inter- est ..	.. 130			
				(iv) Suspense ..	.. 143			
				Other items.				
5,311,692	123,277	5,188,415		(v) Miscellaneous ..	.. 154	426,865	29,687	456,552
141,892	268	141,624	S(II)	Remittances ..	.. 164			
574,415	83,973	490,442	V	Cash Balance (closing)..	.. 172			
				Total		359,771,715	210,149	359,981,864



5. It may be mentioned here that the balances of accounts shown in these statements are not, and cannot be, regarded as a complete record of the state of affairs of the Central Government, as it is not possible to take into account all the various assets of Government such as land, buildings, communications, etc., for which no statistics are available and the value of which it is difficult to estimate. These statements, therefore, show the balances of those accounts only for which separate running accounts are kept within the Government books.

The above balances are reviewed in detail in the following paragraphs.

## SECTIONS A TO M AND S (II)—GOVERNMENT ACCOUNT.

India	.. .. .	Dr. Rs. 5,50,44,67,099
England	{ Secretary of State .. .. .	Dr. £346,448,904
	{ High Commissioner .. .. .	Cr. £180,462

6. This is the general closing head in the ledger. Under the system of book-keeping followed in the Indian Government Accounts, all balances which are not carried forward from year to year are closed to this head. It is also used as an adjusting head for the purpose of counterbalancing entries which have been included elsewhere in the accounts. The balance under this head, therefore, represents the cumulative results of revenue, capital and other transactions in respect of which no separate progressive balanced accounts are kept. A general outline of the balance in India on the 31st March 1939 is given in the following table :—

(India).		
Dr.		Cr.
Rs.		Rs.
5,34,12,44,711	A.—Opening Balance	
..	B.—Revenue Receipts for 1938-39 .. .. .	1,21,06,67,801
1,21,70,45,402	C.—Expenditure on Revenue Account for 1938-39	
9,07,48,556	D.—Capital Expenditure outside the Revenue Account for 1938-39.	
	E.—Appropriation for Reduction or Avoidance of Debt—Other Appropriations for 1938-39 ..	1,63,29,000
	F.—Net Remittances between England and India for 1938-39 .. .. .	37,13,21,902
40,50,66,667	G.—Transfer of cash between England and India	
	H.—Miscellaneous .. .. .	1,13,19,534
	I.—Closing Balance, Dr. .. .. .	5,50,44,67,099
<u>7,11,41,05,336</u>	Grand Total .. .. .	<u>7,11,41,05,336</u>

7. Item A represents the balance brought forward from the last year. The figures against B., C., D., E., F. and G. agree with the corresponding figures in Accounts Nos. 2, 3, 4, 111 and 112 of the Combined Finance and Revenue Accounts for 1938-39.

The following are the details of the sum of Rs. 1,13,19,534 against “H.—Miscellaneous” :—

(1) Adjustment in connection with the transfer of balances to the Assam Government due to the inauguration of Provincial Autonomy .. Dr.	Rs. 1,142
(2) Adjustment on account of repayment of losses on press traffic from the Renewals Reserve Fund of the Posts and Telegraphs Department to the general revenues .. .. . Cr.	1,02,00,000
(3) Adjustment on account of the write off of the balance of the General Provident Fund of an officer of the Posts and Telegraphs Department transferred to Aden Government .. .. . Cr.	1,657
(4) Adjustment of the net profit on the transactions pertaining to the Repatriation of Sterling Debt .. .. . Cr.	10,13,779
(5) Adjustment of the gain on the commutation of Amanati Stock Certificates .. .. . Cr.	618
(6) Adjustment of the proportionate share of the Defence Department in respect of the half yearly equated instalment paid by the Delhi Joint Water Board on account of the Government loan to that body .. .. . Dr.	17,176
(7) Adjustment of a portion of a loan of Rs. 1,25,000 to the New Delhi Municipality .. .. . Cr.	1,21,803
(8) Fractional Differences due to rounding .. .. . Dr.	5
Total .. .. . Cr.	1,13,19,534

## 8. Balances in England :—

Secretary of State	..	..	Dr.	£346,448,904
High Commissioner	..	..	Cr.	£180,462

The balances are analysed below :—

(England).

Debits.		Particulars.	Credits.	
High Commissioner. £	Secretary of State. £		Secretary of State. £	High Commissioner. £
..	353,476,257	A.—Opening Balance ..	..	176,957
5,522,420	25,636,745	B.—Remittance Account between England and India ..	3,264,098	45,925
..	..	C.—Transfer of Cash between England and India ..	29,400,000	5,480,000
180,462	..	E.—Closing Balance ..	346,448,904	..
5,702,882	379,113,002	Grand Total ..	379,113,002	5,702,882

9. The statement given below is intended to afford a general view of the combined balances in India and England, of the Central Government in units of rupee currency, outstanding sterling debts and other balances in England being combined with the corresponding balances in India at the rate of £1=Rs. 13½ and the resultant total expressed in rupees. This method of presentation does not, however, purport to be the correct method of assessing the sterling balances at their real rupee value, but in the absence of any more accurate basis for determining the exact rupee equivalent of these balances, the sterling figures have been converted into rupees at the above rate.

## Balances in India and England (combined).

Debit balances. Rs.	Name of Account.	Credit balances. Rs.
10,12,13,79,644	Government.	
	N.—Public Debt .. ..	9,49,77,37,924
	O.—Unfunded Debt .. ..	2,29,30,67,080
	P.—Deposits and Advances—	
	(i) Deposits bearing interest—	
80,94,211	Gross balance .. ..	28,15,33,742
	Investments.	
	(ii) Deposits not bearing interest—	
10,00,00,173	Gross balance .. ..	41,22,02,518
1,75,93,429	Investments.	
	(iii) Advances not bearing interest.	
	(iv) Suspense—	
1,51,47,274	Investments.	
66,61,97,185	Other items.	
	(v) Miscellaneous .. ..	61,29,455
	Q.—Loans and Advances by the Central Government—	
1,23,28,09,843	(i) Advances to Provincial Governments.	
20,71,08,321	(ii) Other Loans.	
	S.—Remittances .. ..	90,33,177
13,13,73,816	V.—Cash Balance (closing).	
12,49,97,03,896	Total .. ..	12,49,97,03,896

10. The debit balance under "Government Account" is composed of the following items of debit and credit :—

	DEBIT.		CREDIT.
	Rs.		Rs.
1. Net debit balance brought forward	.. ..	6. Appropriation for Reduction or Avoidance of Debt otherwise than by means of regularly constituted Sinking Funds, for 1938-39	1,63,29,000
2. Revenue deficit for 1938-39	.. ..	7. Adjustment on account of repayment of losses on press traffic from the Renewals Reserve Fund of the Posts and Telegraphs Department to the general revenues	1,02,00,000
3. Capital expenditure outside the Revenue Account for 1938-39	.. ..	8. Adjustment on account of the write off of the balance of the General Provident Fund of an officer of the Posts and Telegraphs Department transferred to Aden Government	1,657
4. Adjustment in connection with the transfer of balances to the Assam Government due to the inauguration of Provincial Autonomy	.. ..	9. Adjustment of the net profit on the transactions pertaining to the repatriation of Sterling Debt	10,13,779
5. Adjustment of the proportionate share of the Defence Department in respect of the half yearly equated instalment paid by the Delhi Joint Water Board on account of the Government loan to that body	.. ..	10. Adjustment of the gain on the commutation of Amanati Stock Certificates	618
		11. Adjustment of a portion of a loan of Rs. 1,25,000 to the New Delhi Municipality	1,21,803
		12. Fractional differences due to rounding	13
		13. Net debit balance	10,12,13,79,644
			<u>10,14,90,46,514</u>

SECTION N.—PUBLIC DEBT	INDIA..	Cr.	Rs.	4,84,82,51,132
	ENGLAND	Cr.	£	348,711,510

11. The term "Public Debt" used in this Report is confined to regular loans raised from the Public in India and in England, including certain Railway liabilities and the outstanding portion of India's contribution to the Great War. It does not cover other interest-bearing obligations, such as Post Office Savings Bank Deposits and Cash Certificates and Provident, Depreciation, Reserve and other funds which are dealt with in Sections O and P of this Report. A comparative statement, showing the aggregate gross capital liabilities of the Central Government on the 31st March 1939 and the capital and other disbursements which are treated as set-off against these liabilities, is to be found in Account No. 2 of Part B of this Report.

The liabilities reviewed in this Section are divided into two classes, namely, "Permanent Debt" and "Floating Debt". The term "Permanent Debt" covers such of the loans borrowed by Government in the open market as are intended to have, at the time when they are raised, a currency of more than twelve months. The term "Floating Debt" is applied to borrowings of a purely temporary nature, such as treasury bills and ways and means advances from the Reserve Bank of India which are to be repaid within twelve months. The balances under each of these classes, which represent the nominal value of outstanding debt on the 31st March 1939, as distinct from the cash proceeds in respect of the outstanding loans, are reviewed in the following paragraphs.

The outstanding balance of Public Debt on the 31st March 1939 amounted in the aggregate to a sum of Rs. 9,49,77,37,924 as shown below, the sterling debt being converted into rupees at the rate of 1s. 6d. to the rupee. This method of presentation probably does not show the sterling liabilities at their true rupee value but in the absence of a more suitable basis for determining the exact rupee equivalents of the sterling loans raised in England, based on actual conditions, the sterling figures have been combined with the corresponding rupee figures in India at the conventional rate of 1s. 6d. to the rupee and the resultant total expressed in rupees.

Rupee Debt	..	..	..	..	Cr.	Rs.
Sterling Debt	£348,711,510	converted into Rupees at	..	..	..	4,84,82,51,132
£1=Rs. 13½	..	..	..	..	..	4,64,94,86,792
Total						9,49,77,37,924

Rupee Debt .. .. Cr. Rs. 4,84,82,51,132

12. The balance under Rupee Debt is composed of the following parts :—

I.—Permanent Debt—					Rs.
A.—Loans bearing interest ..	..	..	..	..	4,37,86,23,232
B.—Loans not bearing interest ..	..	..	..	..	66,27,900
II.—Floating Debt ..	..	..	..	..	46,30,00,000
Total					4,84,82,51,132

## I.—Permanent Debt.

13. The balances under this head are borne on the books of the Accountant General, Central Revenues. The details may be seen from the following statements :—

## A.—Loans bearing interest.

Rate of interest.	Description of Loan.	Amount of each Loan.	Total.
		Rs.	Rs.
5 per cent. .. ..	Loan, 1940-43 ..	25,18,47,800	
5 per cent. .. ..	Loan, 1945-55 ..	56,74,94,200	
5 per cent. .. ..	Loan, 1939-44 ..	20,07,03,100	
			1,02,00,45,100
4½ per cent. .. ..	Indore State Railway Loan ..	70,00,000	
4½ per cent. .. ..	Loan, 1955-60 ..	9,05,69,700	
			9,75,69,700
4 per cent. .. ..	Loan, 1960-70 ..	63,30,26,300	
4 per cent. .. ..	Scindia State Railway Loan ..	1,50,00,000	
4 per cent. .. ..	Bonds, 1943 ..	14,97,17,700	
			79,77,44,000
3½ per cent. .. ..	Loan, 1842-43 ..	24,47,29,250	
3½ per cent. .. ..	Loan, 1854-55 ..	20,70,94,582	
3½ per cent. .. ..	Loan, 1865 ..	38,67,56,200	
3½ per cent. .. ..	Loan, 1879 ..	2,72,91,400	
3½ per cent. .. ..	Loan, 1900-01 ..	36,43,35,600	
3½ per cent. .. ..	Loan, 1947-50 ..	55,94,36,900	
			1,78,96,43,932
3 per cent. .. ..	Loan, 1896-97 ..	3,23,53,500	
3 per cent. .. ..	Bonds, 1941 ..	10,67,31,700	
3 per cent. .. ..	Loan, 1951-54 ..	15,12,85,300	
3 per cent. .. ..	Loan, 1963-65 ..	26,31,22,000	
			55,34,92,500
2½ per cent. .. ..	Loan, 1948-52 ..	12,01,28,000	12,01,28,000
	Total .. ..		4,37,86,23,232

## B.—Loans not bearing interest.

B.—Loans not bearing interest.							Amount of each Loan.
Description of Loan.							Rs.
							6,45,000
Treasury Bonds, 1935 ..	..	..	..	..	..	..	1,65,600
Bonds, 1935 ..	..	..	..	..	..	..	2,10,000
Bonds, 1934 ..	..	..	..	..	..	..	1,93,400
Bonds, 1933 ..	..	..	..	..	..	..	1,15,700
Bonds, 1932 ..	..	..	..	..	..	..	26,800
Bonds, 1931 ..	..	..	..	..	..	..	3,70,400
Bonds, 1930 ..	..	..	..	..	..	..	1,43,200
Bonds, 1927 ..	..	..	..	..	..	..	92,500
Bonds, 1926 ..	..	..	..	..	..	..	1,83,200
Bonds, 1933-36 ..	..	..	..	..	..	..	1,29,650
War Bonds, 1928 ..	..	..	..	..	..	..	15,975
War Bonds, 1925 ..	..	..	..	..	..	..	46,775
War Bonds, 1923 ..	..	..	..	..	..	..	1,77,400
War Bonds, 1922 ..	..	..	..	..	..	..	2,47,850
War Bonds, 1921 ..	..	..	..	..	..	..	2,53,275
War Bonds, 1920 ..	..	..	..	..	..	..	3,79,375
War Loan, 1929-47 ..	..	..	..	..	..	..	18,200
Terminable Loan of 1915-16 ..	..	..	..	..	..	..	49,200
Conversion Loan of 1916-17 ..	..	..	..	..	..	..	2,62,300
Loan, 1934-37 ..	..	..	..	..	..	..	29,02,100
Loan 1938-40 ..	..	..	..	..	..	..	
Total ..							66,27,900

14. These figures correspond with those given in Account No. 93 of the Combined Finance and Revenue Accounts for 1938-39.

15. The Indore State Railway Loan of rupees seventy lakhs and the Scindia State Railway Loan of rupees one crore and fifty lakhs are not borne on the registers of the Public Debt Office but were taken under special conditions, from the Maharajas Holkar and Scindia.

16. The other loans are borne on the registers of the Public Debt Office and the verification of their balances consists in a reconciliation between the loan balances which are outstanding on the books of the Accountant General, Central Revenues, and the corresponding balances in the books of the Public Debt Office, Calcutta, as representing the outstanding loans held against Government. A comparison of the figures of outstanding loans on the books of the Accountant General, Central Revenues, on the 31st March 1939 with the corresponding liabilities on the

books of the Public Debt Office revealed differences under twelve loan heads noted below :—

						Ledger balance more +, less — Rs.
(1)	6½	per cent. Treasury Bonds, 1935	...	..	..	—62,000
(2)	6	per cent. Bonds, 1926	..	..	..	+100
(3)	6	per cent. Bonds, 1931	..	..	..	+1,600
(4)	6	per cent. Bonds, 1932	..	..	..	—1,000
(5)	6	per cent. Bonds, 1933-36	..	..	..	+200
(6)	5½	per cent. War Bonds, 1920	..	..	..	+41,750
(7)	5½	per cent. War Bonds, 1921	..	..	..	—475
(8)	5½	per cent. War Bonds, 1922	..	..	..	+60,000
(9)	5½	per cent. Loan 1938-40	..	..	..	—8,26,100
(10)	5½	per cent. War Bonds, 1928	..	..	..	—325
(11)	5	per cent. War Loan, 1929-47	..	..	..	+2,700
(12)	5	per cent. Bonds, 1935	..	..	..	—2,900

The ledger balances on the books of the Accountant General, Central Revenues, based as they are on the actual transactions passing through the Government accounts of the year, may be taken as the true liability of the Central Government on the 31st March, 1939.

The differences in the cases mentioned above are almost inevitable in respect of loans which are in course of discharge. The system of book-keeping followed in the Public Debt Office accounts is different from that followed in the Government accounts. The reconciliation of the two sets of figures really amounts to locating the discrepancies which are mainly due to bonds cancelled by the Public Debt Office but not debited in the accounts during the year and *vice versa*. This reconciliation is reported to have been effected in respect of the discrepancies under all the loan heads except these at items (6) and (8) under which the discrepancies subsequent to 1930 only have been located. These differences were mostly due to securities discharged and accounted for as such in the accounts of the Accountant General, Central Revenues, but not cancelled by the Public Debt Office during the year under report and *vice versa* and in the case of item (11), to a certain extent to outstanding allotment letters not having been converted into scrip. The balances on the books of the Public Debt Office are not reduced until the securities are actually cancelled by that office, while the necessary debits are adjusted through the accounts of the Accountant General, Central Revenues, on the basis of information furnished by the Accountants General.

In the case of items (6) and (8), it has been found impracticable after such a lapse of time to locate the differences prior to 1931 and therefore they have been allowed to stand, but transactions during the year relating to these loans which operate to affect the balances are watched in the Account Office with the object of reducing the difference to a minimum. The outstanding amount of the loans will, after the usual period of 20 years from the date of discharge of the loans, be written off to Revenue when the difference will disappear.



## II.—Floating Debt .. .. Cr. Rs. 46,30,00,000

17. The balance under Floating Debt is made up of Treasury Bills outstanding on 31st March, 1939 on the books of local Head Offices and the Branch Offices of the Reserve Bank of India. The details according to accounting circles are as follows:—

							Rs.
Central Revenues	..	..	..	..	..	..	28,36,75,000
Madras	..	..	..	..	..	..	21,25,000
Bombay	..	..	..	..	..	..	16,97,75,000
United Provinces	..	..	..	..	..	..	4,50,000
Punjab	..	..	..	..	..	..	56,25,000
Sind	..	..	..	..	..	..	13,50,000
<b>Total</b>							<b>46,30,00,000</b>

## Sterling Debt .. .. Cr. £ 348,711,510

18. The balance under Sterling Debt is composed of the following parts:—

### A.—Permanent Debt—

A.—Permanent Debt—					£
I.—Loans bearing interest	..	..	..	..	348,709,006
II.—Loans not bearing interest	..	..	..	..	2,504
Total					<u>348,711,510</u>

The details of the above balances are:—

### I.—Loans Bearing Interest—

						£
India 5 per cent. stock	..	..	..	..	..	8,879,614
India 4½ per cent. stock	..	..	..	..	..	56,591,405
India 4 per cent. stock	..	..	..	..	..	11,355,000
India 3½ per cent. stock	..	..	..	..	..	98,067,884
India 3 per cent. stock	..	..	..	..	..	86,284,185
India 2½ per cent. stock	..	..	..	..	..	11,539,986
East Indian Railway Irredeemable Debenture Stock, 4½ per cent.	..	..	..	..	..	1,435,650
East Indian Railway New Debenture Stock, 3 per cent.	..	..	..	..	..	8,000,000
East Indian Railway Debenture Stock, 3½ per cent.	..	..	..	..	..	7,000,000
Eastern Bengal Railway Irredeemable Debenture Stock, 4 per cent.	..	..	..	..	..	348,666
South Indian Railway Perpetual Debenture Stock, 4½ per cent.	..	..	..	..	..	425,000
Great Indian Peninsula Railway Irredeemable Debenture Stock, 4 per cent.	..	..	..	..	..	2,701,450
Great Indian Peninsula Railway Debenture Stock, 3½ per cent.	..	..	..	..	..	3,500,000
Burma Railway Debenture Stock, 3 per cent.	..	..	..	..	..	1,250,000
Unexpired liability for British Government 5 per cent. War Loan (1929-47) taken over by India	..	..	..	..	..	15,466,928

### *Railway Annuities.*

East Indian Railway Annuity terminating in 1953	..	..	..	..	..	12,186,481
Eastern Bengal Railway Annuity terminating in 1957	..	..	..	..	..	1,555,129
Scinde Punjab and Delhi Railway Annuity terminating in 1959	..	..	..	..	..	5,158,208
Great Indian Peninsula Railway Annuity terminating in 1948	..	..	..	..	..	10,619,024
Madras Railway Annuity terminating in 1956	..	..	..	..	..	6,344,396

Total Loans Bearing Interest

348,709,006

## II.—Loans not Bearing Interest—

	£
India 5½ per cent. Stock, 1932 .. .. .	1,800
India 5½ per cent. Stock, 1936 .. .. .	104
India 6 per cent. Bonds, 1932 .. .. .	450
India 6 per cent. Bonds, June, 1933 .. .. .	100
India 6 per cent. Bonds, October, 1935 .. .. .	50
Total Loans not Bearing Interest .. .. .	2,504

19. These balances are borne on the books of the Secretary of State and agree with the figures shown in Account No. 93 of the Combined Finance and Revenue Accounts for 1938-39 and Account No. 3 of Part B of this Report.

The amount shown against " Unexpired liability for British Government 5 per cent. War Loan (1929-47) taken over by India " is the undischarged balance of the liability assumed by India as a contribution towards the cost of the Great War. Payment of interest on this liability has been suspended from 1st July, 1931.

The amounts shown under Railway Annuities represent the unexpired portion of the capital liability involved in the purchase of Railways, under redemption by annuities, which has been transferred to General Revenues on the separation of the Railway Finances from the General Finances of the Government of India.

20. Besides the above, funds have also been raised for railway purposes by the Secretary of State by the issue, through Railway Companies working State lines, of ordinary share capital, debenture stock and debentures. The total sterling amount outstanding at 31st March, 1939 and payable in the event of termination of the various contracts was £19,815,248 in addition to £684,580 in respect of the line leased from the South Behar Railway Company. Of this total, a sum of £88,000 representing the difference between the cash received and the nominal amount of Bengal and North Western Railway Debenture Stock allocated to State Works is being provided for by a Discount Sinking Fund. Although the interest on these stocks and bonds is, in most cases, guaranteed by Government, they are not in the nature of direct obligations and are accordingly not included in the Public Debt of the Central Government.

SECTION O.—UNFUNDED DEBT	INDIA	Cr. Rs. 2,25,12,89,212
	ENGLAND	Cr. £ 3,133,340

21. The term "Unfunded Debt" is used to describe a number of interest bearing obligations of Government in respect of funds deposited with it for various purposes. The principal classes of these obligations are :—

	India. Rs.	England. £
Special Loans .. .. .	1,45,42,048	
Treasury Notes .. .. .	71,619	
Deposits of Service Funds .. .. .	1,02,74,888	3,133,340
Savings Bank Deposits .. .. .	81,87,80,462	
Post Office Cash Certificates .. .. .	59,57,17,988	
State Provident Funds .. .. .	72,46,41,847	
Other Accounts .. .. .	8,72,60,360	
Total ..	2,25,12,89,212	3,133,340

Special Loans .. .. . Cr. Rs. 1,45,42,048.

22. Under this head is recorded a number of interest bearing obligations, mostly of a permanent character, of which the following are the details :—

Description of the loan.	Central Revenues. Rs.	United Provinces. Rs.	Punjab. Rs.	Total. Rs.
8 per cent. Perpetual Loan (Madras) .. .. .	21,000	..	..	21,000
6 per cent. Perpetual Loan (Madras) .. .. .	70,000	..	..	70,000
Endowments by the late King of Oudh—				
First Loan (6 per cent.) .. .. .	..	24,78,762	..	24,78,762
Third Loan (5 per cent.) .. .. .	..	98,46,034	..	98,46,034
Sixth Loan (4 per cent.) .. .. .	..	13,98,252	..	13,98,252
Appropriation for the maintenance of Madho Rao .. .. .	6,68,000	..	..	6,68,000
Endowment for charitable and educational institutions .. .. .	50,000	..	10,000	60,000
Total ..	8,09,000	1,37,23,048	10,000	1,45,42,048

23. Full particulars of these loans are given below :—

Madras Perpetual Loans .. .. . Rs. 91,000

These are all deposits made by private persons originally with the Government of Madras as perpetual loans. The deposit is in each case an endowment for religious purposes connected with Christian Churches.

Endowments by the late King of Oudh	..	..	Rs. 1,37,23,048
			Rs.
First Loan	..	..	24,78,762
Third Loan	..	..	98,46,034
Sixth Loan	..	..	13,98,252

These are endowments made by the late King of Oudh for the payment of pensions and certain stipends called Wasika Pensions. The balances of the loans have been reduced by Rs. 12,243, Rs. 5,097 and Rs. 2,947 respectively during the year under report for the values of commuted and lapsed pensions.

Appropriation for the maintenance of Madho Rao Rs. 6,68,000

The balance shown against this head represents the amount appropriated in 1861 out of the property forfeited by Madho Rao's father to provide a pension for his son.

Endowment for the Charitable and Educational Institutions Rs. 60,000

The particulars of these endowments are :—

*Central Revenues—*

		Rs.
(1) Deposits of the Lawrence Military Asylum, Mount Abu	..	10,000
(2) Annuity Fund of Fattah Ullah Khan	.. ..	40,000

*Punjab—*

(3) Lawrence Memorial Asylum at Murree	.. ..	10,000
Total	..	60,000

These consist generally of endowments for specific purposes of an educational or charitable character, *e.g.*, maintenance of asylums for the poor, etc., which were accepted by Government from private persons at various times. These loans are practically fixed and do not therefore require annual verification.

Treasury Notes .. .. Cr. Rs. 71,619

24. These represent the value of non-transferable Treasury Notes at 4 per cent. (Madras) and consist of endowments held by the Accountant General, Madras.

Deposits of Service Funds ..	{ India ..	Cr. Rs. 1,02,74,888
	{ England ..	Cr. £ 3,133,340

25. The details of Deposits of Service Funds are as follows :—

Cr.

*India—*

			Rs.
Bengal Uncovenanted Service Family Pension Fund .. ..			49,50,042
Bengal and Madras Service Family Pension Fund .. ..			16,90,542
Madras Military Assistant Surgeons' Fund .. ..			4,26,873
Bombay Family Pension Fund of Government Servants (Widows Pension Branch) .. ..			32,07,431
	Total ..		1,02,74,888

*England—*

			£
Indian Military Widows' and Orphans' Fund .. ..			163,961
Superior Services (India) Family Pension Fund .. ..			170,332
Indian Military Service Family Pension Fund .. ..			1,774,188
Indian Civil Service Family Pension Fund .. ..			1,024,859
	Total ..		3,133,340

26. *India*—These represent, in the main, the balances of certain funds intended for the benefit of Government servants, but not under the control of Government, which are deposited with Government on favourable terms as to interest.

In respect of all these funds the Treasury is merely the depository, the funds having in each case their separate offices and organisations for keeping the details of the accounts. The verification of the balances therefore consists in merely agreeing the balances on the Government books with those claimed by the trustees or other responsible officers of the funds.

27. *England*—The *Indian Military Widows' and Orphans' Fund* was designed to secure suitable provision for the widows and orphans of officers of the Indian Army not being subscribers under the Indian Military Service Family Pension Regulations. The balance of the fund which is essentially sterling in character is now held in England.

The *Superior Services (India) Family Pension Fund* was established on the 1st September, 1928, for the benefit of European and Anglo-Indian members of certain Superior Services other than the Indian Civil Service. The account of the fund, which is kept in England in sterling, is credited with the contributions realised from subscribers and the

interest on the mean balance of the fund at the beginning and end of each half year, and is debited with pensions and other benefits payable under the rules of the Fund. The balance standing to the credit of the fund on 31st March, 1939 represents the excess of contributions, etc., over pensions.

All moneys contributed under the *Indian Military Service Family Pension Regulations* and the *Indian Civil Service Family Pension Rules* were up to 31st March, 1936 credited as revenues of India and the pensions and other benefits paid were debited as a charge upon those revenues. Formal accounts were kept outside the Government account, of these receipts and of all disbursements made therefrom together with an account of interest accruing on the balances calculated at rates fixed from time to time by the Secretary of State in Council. This interest was not debited to any Government account, the amount being treated as a contingent liability to be met as it materialised. Since 1st April, 1936 these transactions have been brought under Section O.—Unfunded Debt and the balances have been recognised as sterling liabilities of Government.

With effect from 1st April, 1937 all these funds have been divided into two sections, namely, the transferred section and the untransferred section, to represent respectively the interest transferred to the Commissioners appointed under the Government of India (Family Pension Funds) Order, 1936, and the interest untransferred by reason of objection made under Section 273 (3) of the Government of India Act, 1935. The balances existing at the end of March, 1937 in respect of the Section of the subscribers and beneficiaries who have elected for transfer, has been paid over to the appropriate Commissioners under the provisions of the Order in Council during 1937-38 and 1938-39. The total amount so transferred was £9,242,801 together with £327,199 as a payment on account, in respect of the net receipts relating to the "Transferred" section of the funds during 1937-38 and 1938-39. The balance outstanding on 31st March, 1939 in respect of "Transferred Funds" is shown under "Suspense Accounts" in "Section P.—Deposits and Advances". The balances shown here represent those of "Untransferred" section of each fund.

These funds are under the control of Government and are audited like other Government accounts.

**Savings Bank Deposits** .. .. Cr. Rs. 81,87,80,462

28. These relate to savings banks established at Post Offices throughout the country to encourage thrift and the banking habit. Deposits are received into them subject to certain limitations and bear interest at a fixed rate which was reduced from 2 per cent. to 1½ per cent. with effect from the 1st December, 1938. The interest credited to the depositors' accounts during the year amounted to Rs. 1,41,54,917. The balance mentioned herein excludes the balances under "Dead Savings Bank Accounts" which are shown separately under "Deposits". The ledger balance was found to differ from the total of the balances of live

accounts held at the credit of the depositors as worked out from the books of the Audit Offices by Rs. 1,77,710. Excepting for a sum of Rs. 6,628 which is under verification, all the other differences have been adjusted in the accounts for 1939-40.

<b>Post Office Cash Certificates</b>	<b>..</b>	<b>Cr.</b>	<b>Rs. 59,57,17,988</b>
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29. The balance under Post Office Cash Certificates represents the issue price of Cash Certificates sold to the public remaining undischarged at the end of the year under review and does not include the accrued liability in respect of bonus which is of the nature of deferred interest and is payable under the system described below.

These certificates are repayable on demand at any time, but are ordinarily expected to remain in deposit for five years. On repayment, after the first year of deposit, a bonus is payable in addition to the principal. For a certificate remaining in deposit for the full five years, the bonus payable represents, at the rates of issue prevailing during the period covered by this report, approximately  $2\frac{1}{2}$  per cent. compound interest. Cash certificates of four new denominations of Rs. 2,000, 3,000, 4,000 and 5,000 were introduced in January, 1939.

A sum of Rs. 8,57,220 representing the issue price of unclaimed Cash Certificates of 1925-26 and 1930-31 issues was transferred to Revenue in the accounts for 1938-39.

A separate fund has been set up from 1930-31 to provide for the accruing liability in respect of bonuses on Post Office Cash Certificates by an annual provision in the revenue budget of the Government of India. A more detailed description of the fund is given in paragraph 56 of this Report.





State Provident Funds .. .. .

30. These are funds established for the benefit of Government servants, on the sums deposited in them and, in some cases where the funds in effect represent revenues. The accumulated deposits are paid to the depositors on the termination of The balances of individual accounts were duly communicated to the depositors concerned.

Balances of State Provident Funds

—	Central Revenues.	Indian Stores Depart- ment.	Balu- chistan.	Madras.	Bombay.	Bengal.	United Provinces.	Punjab.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
State Railway Provi- dent Institutions ..	3,52,027	..	..	..	..	..	..	..
Companies' Railways Provident Fund ..	..	..	..	..	..	..	..	..
General Provident Fund .. ..	1,49,44,062	10,78,664	7,81,723	22,27,604	59,76,820	52,05,239	14,15,881	10,26,274
Indian Civil Service Provident Fund ..	11,21,162	..	55,764	5,009	4,703	7,290	..	..
Indian Civil Service (Non-European Members) Provident Fund .. ..	..	..	33,014	..	..	45	..	..
Defence Services Offi- cers' Provident Fund .. ..	..	..	..	..	..	..	..	..
Military Engineering Services Provident Fund .. ..	..	..	..	..	..	..	..	..
Indian Ordnance Department Provi- dent Fund ..	..	..	..	..	..	..	..	..
Contributory Provi- dent Fund ..	12,45,317	20,00,891	..	4,38,614	4,63,202	3,03,501	..	44
Other Miscellaneous Provident Funds ..	..	3,27,120	..	3,57,316	..	..	..	..
Total ..	1,76,62,568	34,06,675	8,70,501	30,26,543	63,44,905	56,06,075	14,15,881	10,26,318

.. .. Cr. Rs. 72,46,41,847

contributions to which are, in certain cases, compulsory. Government pays interest substitutes for pensions, supplements the deposits by contributions from its own their service. Temporary withdrawals are, however, permitted in certain circumstances. The details of these funds are as shown in the following table :—

on the 31st March, 1939.

Bihar.	Central Provin- ces and Berar.	Assam.	North- West Frontier Pro- vinces.	Orissa.	Sind.	Coorg.	Defence.	Railways.	Posts and Telegraphs.	Total.
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
..	..	..	..	..	..	..	..	36,53,90,592	..	36,57,42,619
..	..	..	..	..	..	..	..	25,66,53,750	..	25,66,53,750
6,47,929	5,01,186	2,56,705	2,96,769	1,15,581	5,76,837	5,22,821	1,38,55,051	33,61,360	3,07,00,844	8,33,91,350
..	..	..	65,241	..	..	..	..	..	1,24,464	13,81,723
..	..	..	..	..	..	..	..	..	3,285	36,344
..	..	..	..	..	..	..	25,72,493	..	..	25,72,493
..	..	..	..	..	..	..	31,138	..	..	31,138
..	..	..	..	..	..	..	61,09,351	..	..	61,09,351
..	..	..	42,195	..	..	..	1,58,606	..	..	47,42,460
..	..	..	..	..	..	..	32,96,183	..	..	39,80,619
6,47,929	5,01,186	2,56,705	4,04,205	1,15,581	5,76,837	5,22,821	2,60,22,822	62,54,05,702	3,08,28,593	72,46,41,847

**State Railway Provident Institutions** Cr. Rs. 36,57,42,619

31. The personal ledgers of the State Railway Provident Institutions maintained by the Railway Accounts Officers are reconciled with the General Books of the Railways concerned. In the case of the East Indian Railway the work of reconciliation is still in progress.

**General Provident Fund** .. .. Cr. Rs. 8,33,91,350

32. The ledger balances of this fund on the books of the Civil and Departmental accounting officers are proved with the sum total of the balances of the personal accounts of the subscribers to the Fund. In doing so small differences were found in certain cases, which have since been settled.

**Indian Civil Service Provident Fund** Cr. Rs. 13,81,723

33. The balances under this head represent deductions made from the salaries of members of the Indian Civil Service which are funded for the benefit of the officers concerned.

**Defence Services Officers' Provident Fund** Cr. Rs. 25,72,493

34. It is open to British and Indian Officers holding substantive King's Commissions in the Indian Army, including Indian Medical Service and in the Royal Indian Navy.

**Military Engineering Services Provident Fund** Cr. Rs. 31,138

**Indian Ordnance Department Provident Fund** Cr. Rs. 61,09,351

35. These funds are intended for non-pensionable Government servants of the Military Engineering Services and the Indian Ordnance Department.

**Contributory Provident Funds** .. .. Cr. Rs. 47,42,460

36. These funds which are administered by the Government of India were started for the benefit of certain non-pensionable Government servants under their control.

**Other Miscellaneous Provident Funds** .. Cr. Rs. 39,80,619

37. This head records mainly the transactions of Provident Funds intended for non-pensionable Government servants of the Public Works Department, Indian Stores Department, Indian Ordnance Factories, the Military Farm, Okara, etc., who are allowed to subscribe to special provident funds usually with bonus terms attached.

**Other Accounts** .. .. Cr. Rs. 8,72,60,360

38. The Other Accounts are the accounts of certain provident associations (mostly under private management) whose funds Government have consented to receive and hold at certain specified rates of interest.

The Staff Benefit Fund and Cemetery Endowment Fund are also brought to account under this head. The details are :—

<i>Bombay.</i>						Rs.
Bombay Family Pension Fund of Government Servants (Life Assurance Branch) .. .. .	..	..	..	..	..	61,265
<i>Bengal.</i>						
General Family Pension Fund .. .. .	..	..	..	..	..	15,451
Hindu Family Annuity Fund .. .. .	..	..	..	..	..	1,00,822
Bengal Christian Family Pension Fund .. .. .	..	..	..	..	..	4,562
<i>Posts and Telegraphs.</i>						
Postal Insurance and Life Annuity Fund .. .. .	..	..	..	..	..	8,54,67,306
<i>Railways.</i>						
Staff Benefit Fund .. .. .	..	..	..	..	..	8,53,731
<i>General.</i>						
Cemetery Endowment Fund .. .. .	..	..	..	..	..	7,57,223
Total						8,72,60,360

39. The balance of the *Bombay Family Pension Fund of Government Servants (Life Assurance Branch)*, is constituted of subscriptions of such members of that fund who become widowers.

The balances under the *General Family Pension Fund*, *Hindu Family Annuity Fund* and *Bengal Christian Family Pension Fund* differ from the amounts claimed by the Administrators of the Funds by Rs. 945, Rs. 482 and Rs. 10 respectively. The differences are under settlement.

40. The *Postal Insurance and Life Annuity Fund* is a Life Insurance Fund managed by Government for the benefit of its employees, in which insurance is permitted up to a maximum of Rs. 20,000 for each life insured. It includes interest for the year at  $3\frac{1}{2}$  per cent. The number of subscribers on the 31st March, 1939, was Rs. 97,769 against Rs. 95,896 on the same date in 1938.

41. The *Staff Benefit Fund, Railways* provides certain amenities and affords relief to non-gazetted employees of Railways, the cost of which was previously met from the Railway Fine Funds. The income of the fund is now derived from fines levied on the employees, supplemented by a contribution from Railway Revenues.

42. The balance under the *Cemetery Endowment Fund* represents the amount of fees received up to 31st March, 1939, for the endowment of monuments in Government Cemeteries.

## SECTION P.—DEPOSITS AND ADVANCES.

INDIA	Dr.	Rs. 63,61,43,553
	Cr.	Rs. 59,37,78,350
ENGLAND	Dr.	£ 12,816,653
	Cr.	£ 7,956,552

43. This section consists of five main parts, namely :—

	India.		England.	
	Dr. Rs.	Cr. Rs.	Dr. £	Cr. £
(I) Deposits bearing interest	80,94,211	28,15,33,742	..	..
(II) Deposits not bearing interest .. ..	667	31,22,02,518	7,499,963	7,500,000
(III) Advances not bearing interest .. ..	1,75,26,776	..	4,998	..
(IV) Suspense .. ..	61,05,21,899	..	5,311,692	..
(V) Miscellaneous .. ..	..	42,090	..	456,552
Total	63,61,43,553	59,37,78,350	12,816,653	7,956,552

## PART I.—DEPOSITS BEARING INTEREST.

44. This part consists of funds created out of revenue and held in the Government balances on behalf of various departments for specific purposes. The details are as follows :—

	Dr. Rs.	Cr. Rs.
Reserve Fund—Railways .. ..	..	47,86,114
Reserve Fund Investment Account—Railways ..	47,85,335	..
Depreciation Reserve Fund—Railways .. ..	33,08,876	25,00,57,048
Renewals Reserve Fund—Posts and Telegraphs ..	..	1,95,90,457
Renewals Reserve Fund—Northern India Salt Revenue .. ..	..	26,39,277
Depreciation Reserve Fund—Lighthouses and Lightships .. ..	..	11,45,741
General Reserve Fund—Lighthouses and Lightships ..	..	33,15,105
Total	80,94,211	28,15,33,742

		Rs.
Reserve Fund—Railways .. .. .	Cr.	47,86,114
Reserve Fund Investment Account—Railways	Dr.	47,85,335
Depreciation Reserve Fund—Railways ..	Cr.	25,00,57,048
	Dr.	33,08,876

45. The balance at credit of the *Railway Reserve Fund* consists of Rs. 779 in cash and Rs. 47,85,335 invested in Branch Line Companies.

With the separation of railway finances from general finances, general revenues receive an annual contribution from Railways, which is calculated in the manner indicated in Account No. 22-A of the Combined Finance and Revenue Accounts, and any surplus remaining after making this payment is transferred to the Reserve Fund. During 1938-39 a contribution of Rs. 1,37,32,130 representing the total gain from Railways during the year, was paid to general revenues as against Rs. 4,42,77,126 due for the year and consequently nothing was credited to this Fund.

Amounts may be withdrawn from the Reserve to secure the payment of the annual contribution to general revenues ; to provide, if necessary, for arrears of depreciation and for writing down and writing off capital ; and to strengthen the financial position of Railways in order that the services rendered to the public may be improved and rates and fares may be reduced. The Reserve may also be used for temporary borrowings for the purpose of meeting expenditure for which there is no provision or insufficient provision in the revenue budget estimate, subject to the obligation to make repayment of such borrowings out of the revenue budgets of subsequent years.

The balance of Rs. 47,85,335 against the head *Reserve Fund Investment Account* represents the total of the amounts invested in shares of Branch Line Companies of the aggregate face value of Rs. 50,78,700.

The *Depreciation Reserve Fund—Railways* provides for the cost of renewing units of all wasting assets with the exception of formation, fencing and ballast. The amount set aside annually to cover depreciation is one-sixtieth of the total capital at charge at the end of the previous year. Similar Reserves have been established for Company-managed Lines also though the procedure followed in these cases has been somewhat different.

The scope of the Depreciation Reserve Fund has been modified from time to time and with effect from 1937-38, the following debits and credits are permitted :—

- (i) The cost of the replacement of an asset by a like asset or the original cost of the asset, whichever is greater, is charged to the Fund. Renewals of certain assets costing individually

Rs. 2,000 and less and of certain other classes of assets, irrespective of cost are however not charged to the Fund ;

- (ii) Credits realised from the disposal of an asset costing originally more than Rs. 2,000 and credits for materials released from a work replaced at the cost of the Fund are taken in reduction of the expenditure from the Fund after deducting incidental charges ;
- (iii) When an asset (other than land) is abandoned or disposed of without being replaced, the original cost of the same is debited to the Fund, provided it is above Rs. 2,000.

During the period 1931-32 to 1935-36 the balance of the Fund was utilised temporarily to meet losses in working the Railways. A portion of the amounts borrowed was repaid to the Fund from the surplus for the year 1936-37. The net amount of these losses at the end of 1937-38 was Rs. 30,29,32,559. The repayment of this amount has been postponed till 1940 or the fixation under Section 187 (1) of the Government of India Act, 1935, of the sum therein referred to, whichever is earlier. The balance of revenue expenditure debited against " Depreciation Reserve Fund " in respect of Hardinge Bridge Protection Works and Earthquake damages which is still to be repaid amounted to Rs. 48,64,417 at the end of 1938-39. Out of the balance of the Fund, advances amounting to Rs. 9,00,000 have been sanctioned to Branch Line Companies to meet Capital expenditure.

A sum of Rs. 5,635 in the North Western Railway and a sum of Rs. 1,23,000 in the Assam Bengal Railway, were debited to Capital instead of to Depreciation Reserve Fund.

The debit balance of the Depreciation Reserve Fund—Railways represents *investments* out of the Depreciation Reserve Fund, made in branch line shares from capital programme as well as on the purchase of certain stocks of the South Bihar Railway.

#### Renewals Reserve Fund—Posts and Telegraphs . . Cr. Rs. 1,95,90,457

46. The Reserve is designed to meet the cost of all replacements and abandoned assets and the annual contribution to it from revenue has been fixed at Rs. 23,13,000 during 1938-39 and Rs. 23,05,000 per annum from the 1st April, 1939. The amount of contribution relating to each branch of the Department has been arrived at by apportionment of the total amount mentioned above, in the proportion of the capital at charge of each branch. The position is subject to review early in 1941 in the light of the experience gained and the contribution will be revised, if necessary.

A sum of Rs. 1,02 lakhs has been utilised out of the balance of the Fund in liquidation of the accumulated loss on press traffic.

The position of the Reserve in respect of each of the branches of the Department at the close of 1938-39 is shown below :—

	Rs.
Post Office .. .. .	8,95,972
Telegraphs .. .. .	1,48,19,893
Radio Telegraphs .. .. .	1,17,064
Telephone .. .. .	37,57,528

**Renewals Reserve Fund—Northern India Salt**

Revenue .. .. . Cr. Rs. 26,39,277

47. The Depreciation Reserve Fund of the Northern India Salt Revenue Department which was instituted in 1924-25 was replaced by a "Renewals Reserve Fund" from the 1st April, 1938 with a fixed annual contribution of Rs. 1,30,000.

**Depreciation Reserve Fund—Lighthouses**

and Lightships .. .. . Cr. Rs. 11,45,741

**General Reserve Fund—Lighthouses and Light-**

ships .. .. . Cr. Rs. 33,15,105

48. The Depreciation Reserve Fund is intended to provide for renewals and replacements of wasting assets.

The General Reserve Fund is built up by transferring from the Income and Expenditure account of the Department the surplus of the receipts over the expenditure of each year. It is charged with the amounts of deficiencies, if any, in the Income and Expenditure account. These Reserves have been deposited with Government and interest is allowed thereon at the prescribed rate.

**PART II.—DEPOSITS NOT BEARING INTEREST.**

49. This part consists of three main divisions, namely :—

	India.		England.	
	Dr. Rs.	Cr. Rs.	Dr. £	Cr. £
(i) Sinking Funds .. .. .	..	14,41,60,146	..	..
(ii) Reserve Funds .. .. .	..	9,29,32,008	7,499,963	7,500,000
(iii) Other Deposit Ac- counts .. .. .	667	7,51,10,364	..	..
Total .. .. .	667	31,22,02,518	7,499,963	7,500,000

**(i) SINKING FUNDS.**

Sinking Funds for Central Loans .. .. . Cr. Rs. 14,41,60,14

50. The credit balance under this head represents the amount available in the Funds created to provide against depreciation of the market price of the 5 per cent. Loans, 1945-55 and 1939-44. The money accumulating in these funds is applied towards purchasing the Securities



of these loans and, in certain circumstances, of other loans in the open market when their market price falls below their issue price and thus are achieved at once the two objects of stabilising the market and reducing Government liabilities at a comparatively low cost to Government. The total balances in these funds including interest on previous investments amounted to Rs. 14,41,60,146 and the whole of this sum remained uninvested at the end of 1938-39.

The regular sinking funds now in operation in England for amortisation of Sterling Debt are the Railway Sinking Funds created at different dates for the redemption of the India Stock (and a small portion of the Rupee Debt) issued in part payment of the liabilities assumed by Government on the purchase of the capital of some of the old guaranteed Railway Companies. The total amount of debt undergoing redemption by these Sinking Funds is £13,175,511, of which £10,651,918 has been redeemed to end of 1938-39. As the annual payments in respect of these Sinking Funds are utilised in the purchase and cancellation of debt, the balances of the Funds do not constitute a part of the balanced account of the Secretary of State.

(ii) RESERVE FUNDS.

51. The details are :—

	India.	England.	
		Dr.	Cr.
	Cr. Rs.	£	£
Silver Redemption Reserve .. ..	..	..	7,500,000
Silver Redemption Reserve Investment Account .. ..	..	7,499,963	..
Defence Reserve Fund .. ..	1,05,00,005	..	..
Equalisation Fund—Defence Services ..	1,38,06,432	..	..
Telephone Development Fund .. ..	2,27,14,629	..	..
Post Office Cash Certificates Bonus Fund	95,278	..	..
Central Road Fund .. ..	2,80,37,425	..	..
Sugar Excise Fund .. ..	16,35,981	..	..
General Police Fund .. ..	97,308	..	..
Fund for the Economic Development and Improvement of Rural Areas ..	98,13,934	..	..
Fund for the Development of Civil Aviation .. ..	18,71,725	..	..
Fund for the Development of Broadcasting .. ..	16,11,933	..	..
Fund for Special Frontier Expenditure including Development .. ..	2,44,194	..	..
Depreciation Reserve Fund—Government Presses .. ..	11,14,273	..	..
Renewals Reserve Fund—Defence Services .. ..	13,88,891	..	..
Total .. ..	9,29,32,008	7,499,963	7,500,000

Silver Redemption Reserve . . . . . Cr. £7,500,000

Silver Redemption Reserve Investment Account . . Dr. £7,499,963

52. The primary object of the Silver Redemption Reserve is to provide sterling assets for transfer to the Issue Department of the Reserve Bank of India against delivery by the Bank of rupee coin, in accordance with the proviso to Section 36 (1) of the Reserve Bank of India Act. Except for a small amount of cash held in the cash balance of the Secretary of State, the entire balance of the Reserve is invested in Sterling Securities. The Reserve including the invested portion is in the custody of the Secretary of State.

The intention is to maintain this Reserve at a market value of Rs. 10 crores. It may be increased by receipts from any of the following sources, namely,

- (a) proceeds of sales of silver from the Surplus Silver Stock,
- (b) payments from the Bank under Section 36 (2) of the Act,
- (c) profits from any casual sales of gold by the Bank accruing to Government as part of its share of the profits of the Bank, and
- (d) capital appreciation of the securities.

The Reserve is liable to diminution from two causes, namely,

- (i) transfer of assets to the Bank under the proviso to Section 36 (1) of the Act to meet sterling liabilities in respect of return of coin, and
- (ii) capital depreciation of securities.

Receipts from the first three sources are regarded as available for replenishment of the Reserve only to the extent of any deficiency caused by previous payments to the Bank, any excess in the Corpus of the Reserve over Rs. 10 crores being credited to the head "Purchases and Sales of Silver". As a matter of accounting machinery and in order to avoid the record of silver sales under two different heads, all such sales are recorded in the first place under the head "Purchases and Sales of Silver", any amount appropriated to the Silver Redemption Reserve being credited to the Reserve. Capital depreciation constitutes the first charge on the interest realised from the Securities held in the Reserve, and only the net amount of interest in any year, after making good any depreciation suffered during that year, is creditable to Revenue. If in any year there is a net appreciation in investments belonging to the Reserve, the amount

of such appreciation together with all the interest receipts of that year is creditable to Revenue.

The balance on 31st March, 1939 was made up as follows :—

	Nominal amount £	Market value. £
British Government 5% Conversion Loan, 1944-64 ..	1,000,000	...
Do. 4½% Conversion Loan, 1940-44 ..	1,048,550	..
Do. 2½% Funding Loan, 1952-57 ..	1,379,100	..
Do. 2½% National Defence Bonds, 1944-48 .. .. .	4,018,800	..
Do. 2½% Conversion Loan, 1941-49 ..	68,700	..
	<hr/> 7,515,150	7,499,963
Uninvested .. ..	..	37
		<hr/> 7,500,000

The securities are lodged at the Bank of England.

Defence Reserve Fund .. .. . Cr. Rs. 1,05,00,005

53. The Fund was created to enable the Defence authorities to carry forward any saving in the Budget of any year which may be drawn upon for Defence Services expenditure in future years.

The net excess in 1938-39 over the net appropriation of Rs. 46·18 crores allotted for the year including the allotment for the expansion of the Territorial Forces amounted to Rs. 24,42,641 and this sum has been transferred from the Defence Reserve Fund by credit to the Major Head "60—Transfers from Defence Reserve Fund" while a sum of Rs. 49,09,594 was transferred from the various Equalisation Funds to this head during the year.

Equalisation Fund—Defence Services .. Cr. Rs. 1,38,06,432

54. The balance is made up of Equalisation Funds for the following :—

	Rs.
(i) Replacement of touring motor vehicles of General Officers Commanding-in-Chief, Commands .. ..	28,801
(ii) Mechanical Transport Vehicles .. ..	33,90,691
(iii) Royal Air Force Re-equipment .. ..	60,59,328
(iv) Royal Indian Navy Expansion .. ..	43,27,612
Total ..	<hr/> 1,38,06,432

The nature of transactions of the various Equalisation Funds is given below :—

*General Officers Commanding-in-Chief Cars Equalisation Fund.*—The General Officers Commanding-in-Chief, Commands, are given the option

of setting aside a portion of their tour grant allotment towards the replacement of their motor cars. When a General Officer Commanding-in-Chief requires additional funds for purchasing a new car, the amount required is withdrawn from the fund and credited to his tour grant to meet the expenditure on the replacement of the car.

*Mechanical Transport Equalisation Fund.*—An annual contribution based on the cost and lives of vehicles and with reference to the general budgetary position of the year is provided in the Defence estimates, the unexpended balance being credited to the Equalisation Fund. Excess expenditure, if any, over the annual contribution provided, is met by withdrawals from the Equalisation Fund.

*Royal Air Force Re-equipment Equalisation Fund.*—The fund is intended for financing the re-equipment of Squadrons with modern types of aircraft. With a view to avoiding heavy expenditure at irregular intervals, an annual contribution based on the total estimated cost of the re-equipment spread over a number of years is made to the Fund.

*Royal Indian Navy Expansion Equalisation Fund.*—The fund is intended for replacing time-expired vessels of the Royal Indian Navy and financing the Royal Indian Navy Expansion Scheme. The contribution to the fund is based on the total cost of the programme spread over a number of years and the general budgetary position from year to year.

Telephone Development Fund	..	.. Cr.	Rs. 2,27,14,629
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55. A Telephone Development Fund has been created from the 1st April, 1938 to finance Telephone Projects including telegraph line works required primarily for telephone development. Ordinarily only such expenditure of a capital nature would be debitable to this fund as is required for works which are of a remunerative character. In exceptional cases it might be necessary to finance out of this Fund works of a protective nature also required for the above purposes. A sum of Rs. 2½ crores, being the estimated cost of Telephone Works for a period of 5 years beginning with the year 1938-39 has been credited to this head by debit to "69—Capital Outlay of the Indian Posts and Telegraphs—Appropriation to the Telephone Development Fund". Expenditure on Telephone Projects during a year is initially booked under the head "69-A" and at the end of the year is transferred to the Fund. The expenditure so transferred is, however, included in the total interest bearing Capital Outlay. The Posts and Telegraphs Department does not, however, pay interest on the amount appropriated to the Fund nor does it receive interest on the unutilised balances of the Fund.

Post Office Cash Certificates Bonus Fund	..	Cr.	Rs. 95,272
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56. This Fund provides for the accruing liability in respect of bonus on Post Office Cash Certificates, which under the system of accounting

now in force, is not shown under Section "O—Unfunded Debt" (see paragraph 29). The estimated accrued liability on account of bonus on Cash Certificates remaining undischarged on the 31st March, 1939 amounted roughly to Rs. 3,59,79,630.

The Fund is built up by providing a sufficient sum in the revenue budget of each year to provide for the liability. The amount of bonus actually paid during the year is debited to the head "22—Interest on Debt and Other Obligations—Bonus on Post Office Cash Certificates". The excess of the amount provided in the budget over the amount actually paid during the year is transferred to this Fund. When it is necessary to draw on the Fund owing to insufficiency of provision in the budget the amount is transferred from the Fund to the revenue account and taken in reduction of charges under the head "22—Interest on Debt and Other Obligations—Bonus on Post Office Cash Certificates".

#### Central Road Fund

57. The Head has been introduced for the adjustment of the additional revenue derived from the enhanced duties on motor spirit as a result of the recommendation of the Indian Road Development Committee. From the money accumulating under this head grants have been made to Provincial Governments and others for expenditure on any of the following objects, namely :—

- (i) on the construction of new roads and bridges of any sort ;
- (ii) on the reconstruction or substantial improvement of existing roads and bridges ;
- (iii) on the interest and amortisation of loans taken after the 21st April, 1934 but approved or sanctioned before the 5th March, 1937 and spent on the construction, reconstruction or substantial improvement of roads and bridges ;
- (iv) in special cases, on the maintenance of roads and bridges, constructed, reconstructed or substantially improved from the Road Account since 1930 ;
- (v) in special cases, on the maintenance of roads or bridges constructed, reconstructed or substantially improved from loans approved or sanctioned by the Governor General in Council after the 21st April, 1934.

This deposit head has also been debited with the cost of administering the Central Road Fund and the expenditure upon schemes for such research and intelligence and upon such special grants-in-aid as the Governor-General in Council has approved, these charges being met out of the portion constituting the reserve at the disposal of the Central Government. The amount at credit of this head on the 31st March, 1939 represents the undischarged balance of the Central Road Fund held in deposit.

#### Sugar Excise Fund

58. An amount equivalent to one anna of Excise duty per hundred-weight of sugar is set aside for distribution among the Sugar Manufacturing Provinces for the purpose of assisting the cultivators of sugarcane

Cr. Rs. 16,35,981

in securing fair prices for their canes. The exact amount available for distribution depends on the revenue actually realised from Excise duty on sugar but provision is made in the budget on the estimated realisation from Excise duty. Grants from the Fund are made for schemes approved by the Government of India.

Up to 1936-37 the unspent balance of the provision lapsed to general revenues but a *pro forma* account was kept to show the balance-still due to sugar manufacturing provinces, etc. From 1937-38, however, the Fund has been started and the unutilised balance of the provision is transferred to the Fund, so that it may be available for expenditure in subsequent years. The balance in the Fund amounted to Rs. 16,35,981 on the 31st March, 1939 but according to the *pro forma* account, a further sum of Rs. 6,56,398 is still due to the Fund.

General Police Fund .. .. .	Cr.	Rs. 97,308
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59. This head records the transactions on account of additional police imposed under Sections 13 to 15 of the Indian Police Act of 1861. The balance represents the amount at credit of the Fund after adjustment of receipts and payments in accordance with the provisions of the Act.

Fund for the Economic Development and Improvement of Rural Areas .. .. .	Cr.	Rs. 98,13,934
Fund for the Development of Civil Aviation	Cr.	18,71,725
Fund for the Development of Broadcasting	Cr.	16,11,933
Fund for special Frontier Expenditure includ- ing Development .. .. .	Cr.	2,44,194

60. Out of the revenue surplus which accrued to the Central Government at the close of the year 1934-35, the Funds described above were created with the sanction of the Secretary of State, in order to finance certain measures of public utility.

The amount at credit of the Fund for the Economic Development and Improvement of Rural Areas is intended for distribution to the Provinces and centrally administered areas for expenditure on schemes for the amelioration of the condition of the cultivators and rural classes.

The Fund for the Development of Civil Aviation is intended for the development and organisation of air routes in India.

The Fund for the development of Broadcasting provides a reserve for constructing a large transmitting station in Delhi and ultimately a similar new station at Madras and also for improving and extending the existing stations at Calcutta and Bombay.

The Fund for Special Frontier Expenditure including Development is intended for the construction of roads in tribal areas in the North-West Frontier Province and for various schemes of economic development in those areas.

**Depreciation Reserve Fund—Government**

Presses . . . . . **Cr. Rs. 11,14,273**

61. A Depreciation Reserve was created for each of the Government of India Presses. This reserve is credited with depreciation calculated on the depreciated value of the plant, machinery and furniture in use in the Presses, as also with the residual book value of plant, machinery and furniture disposed of during the year. Appropriations from the Reserve are made to meet the cost of replacement of plant, machinery, etc. Owing to the partial suspension of local audit activities, the local audit of the Presses has not yet been done and consequently it has not yet been scrutinised whether the credits and debits to the head were correctly made and for proper amounts.

**Renewals Reserve Fund—Defence Services . . Cr. Rs. 13,88,891**

62. The details of this account are as follows :—

(1)	(2) Name of the Fund.				(3)
	Army Ordnance and Clothing Factories.	Dairy Farms.	Grass Farms.	Medical Store Depots and Work-shops.	Total.
	Rs.	Rs.	Rs.	Rs.	Rs.
Northern Command ..	.. ..	35,302	1,09,913	..	1,45,215
Lahore District ..	.. ..	7,194	1,29,207	528	1,36,929
Southern Command ..	.. ..	2,91,254	26,990	49,472	3,67,716
Eastern Command ..	.. ..	..	—280	..	—280
Army Factory Accounts	.. 7,39,311	..	..	..	7,39,311
<b>Total</b>	<b>.. 7,39,311</b>	<b>3,33,750</b>	<b>2,65,830</b>	<b>50,000</b>	<b>13,88,891</b>

63. These reserves have been established with the approval of the Secretary of State with the object of setting aside a certain sum annually to cover the wastage of capital assets such as plant, buildings and live and dead stock, in use in the quasi-commercial undertakings of the Army, and so to maintain their efficiency. The reserves are maintained by crediting to their accounts (a) certain percentages of the value of the capital assets and (b) the unexhausted book value of items borne on the capital account, which may be condemned and scrapped. They are drawn upon to meet expenditure—

- (a) on renewals and replacements of machinery, plant, buildings, etc., rendered necessary by ordinary wastage ;
- (b) on replacements or adaptations due to obsolescence of plant or products ;
- (c) when the balance of the reserve permits, on adaptations or improvements to the plant and buildings to maintain and increase their efficiency. This would not include extensive additions and expansions, which must be met from funds allotted separately.

## (iii) OTHER DEPOSIT ACCOUNTS.

64. This account is sub-divided into the following heads :—

India.						Cr.
						Rs.
Deposits of Local Funds ..	..	..	..	..	..	40,14,634
Deposits of Branch Line Companies	..	..	..	..	..	1,66,400
Departmental and Judicial Deposits—						
Civil Deposits ..	..	..	..	..	..	2,05,43,011
Other Deposits ..	..	..	..	..	..	4,89,94,000
Other Accounts ..	..	..	..	..	..	13,91,652
Total						7,51,09,697



## Deposits of Local Funds

Cr. Rs. 40,14,634

65. The details by Provinces are:—

Funds.	(1) Central Revenues	(2) Baluch- istan.	(3) Madras	(4) Bombay.	(5) Bengal.	(6) United Provin- ces.	(7) Punjab.	(8) Bihar.	(9) Central Provin- ces and Berar.	(10) Assam.	(11) North- West Frontier Province.	(12) Sind.	(13) Coorg.	(14) Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
District Fund ..	34,026	..	..	..	..	..	..	..	..	..	..	..	22,515	56,541
Municipal Fund ..	91,605	96,101	..	..	..	..	..	..	..	..	..	..	36,825	2,24,621
Cantonment Fund ..	96,413	..	47,578	1,59,321	22,633	1,07,412	44,104	..	35,061	..	65,862	..	..	5,77,384
Town and Bazar Funds ..	4,729	1,67,078	..	..	..	..	..	..	..	18,859	48,532	..	..	2,39,198
Port and Marine Funds ..	..	..	13,03,796	..	90,155	..	..	..	..	..	..	673	..	13,94,624
Depreciation Reserve Fund, Vizagapatam Port.	..	..	38,404	..	..	..	..	..	..	..	..	..	..	38,404
Education Funds ..	340	..	..	..	..	..	..	..	..	..	..	..	1,000	1,340
Medical and Charitable Funds.	20,493	..	..	..	..	..	..	60,788	..	..	..	..	..	81,281
Other Miscellaneous Funds	7,90,228	..	..	6,01,602	..	..	..	..	..	..	..	..	9,411	14,01,241
Total ..	10,36,834	2,63,269	13,89,778	7,60,923	1,12,788	1,07,412	44,104	60,788	35,061	18,859	1,14,394	673	69,751	40,14,634

66. These are mostly cash balances in the current accounts of local funds and other local authorities which are permitted to use the Government treasuries as their banks. Each fund has an administrator, either a public officer or a committee, and the verification consists firstly, in reconciling the figures as between the broadsheets which are posted from the treasury *plus* and *minus* memoranda and the ledger, and secondly in ascertaining how far the administrator accepts the balance standing at his credit on the Government books.

Acceptance certificates have not been received in fifteen cases in Bombay.

The balance under "Depreciation Reserve Fund, Vizagapatam Port" is the net balance excluding Rs. 5,03,820 invested in securities.

### Deposits of Branch Line Companies

Cr. Rs. 1,66,400

67. The balance under this head is made up of balances at credit of certain Branch Line Railway Companies in respect of their capital transactions with Government.

The details are :—

#### Railways.

	Cr. Rs.
Ahmedabad Parantij .. .. .	—693
Baripada Talband .. .. .	10,627
Central Provinces and Pulgaon Arvi .. .. .	7,861
Sara Sirajgunj .. .. .	3,827
Cooch Behar .. .. .	3,953
Dhond Baramati .. .. .	4,116
Guzerat .. .. .	501
Hardwar Dohra .. .. .	16,817
Jammu Kashmir .. .. .	6,642
Khoolna Bagerhat .. .. .	23,889
Mandra Bhon .. .. .	2,722
Pachora Jamner .. .. .	13,765
Rajpura Bhatinda .. .. .	26,622
Silakot Narowal .. .. .	1,137
Tapti Valley .. .. .	1,475
Mymensingh Bhairabbazar .. .. .	16,492
Peraloam Karaikkal .. .. .	2,912
Pondicheri .. .. .	17,805
Travancore Chakri Thambanur extension .. .. .	1,447
Quilon Trivandrum .. .. .	4,483
Total .. .. .	1,66,400

Civil Deposits .. .. .

68. The transactions brought to account under this head relate mainly

by or on behalf of members

The following are the

Funds.	Central Revenues.	Indian Stores Depart- ment.	Baluchis- tan.	Madras.	Bombay.	Bengal.	United. Provinces.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Revenue Deposits ..	3,98,418	11,504	52,686	79,570	2,18,643	16,00,815	11,276
Civil and Criminal Courts De- posits.	2,27,156	..	85,859	70,782	..	..	..
Personal Deposits ..	2,58,307	..	1,08,654	4,81,562	52,37,907	65,32,195	70,632
Political Agents Deposits ..	..	..	..	..	..	..	..
Shipping Master's Deposits	..	..	..	..	2,077	1,117	..
Public Works Deposits ..	11,53,866	..	22,476	3,350	1,020	2,311	..
Forest Deposits .. ..	..	..	..	..	13,252	..	..
Indian Stores Department Deposits.	..	10,63,450	..	..	..	..	..
Trust Interest Funds ..	88,691	..	..	15,109	34,061	..	..
Deposits of the Tea Cess Fund	..	..	..	49,644	980	1,67,895	..
Deposits of the Lac Cess Fund	..	..	..	..	82	49,223	..
Deposits of the Cotton Cess Fund.	..	..	..	3,046	25,104	854	..
Deposits of Coffee Cess Fund	..	..	..	51,187	236	24	..
Deposits on account of Police Fund.	21,305	..	36,723	..	..	..	..
Indian Research Fund ..	36,542	..	..	..	..	..	..
Unclaimed Provident Fund Deposits.	14,477	1,156	..	2,416	3,628	661	77
Deposits on account of railway freight for Kharaghoda Salt.	..	..	..	..	3,086	..	..
Deposits of fees received by Government servants for work done for private bodies.	6,785	..	177	1,239	8,286	10,336	..
Deposits on account of mo- neys received on account of the King Emperor's Anti Tuberculosis Fund.	..	..	..	..	7,018	4,942	..
Miscellaneous Deposits ..	61,259	..	3,109	..	..	..	..
Total ..	22,66,806	10,76,110	3,09,684	7,57,905	55,55,380	83,70,373	81,985

Cr. Rs. 2,05,43,011

to sums deposited with Government in the daily course of public business of the Public.

details :—

Punjab.	Bihar.	Central Provinces and Berar.	Assam.	North- West Frontier Province.	Orissa.	Sind.	Coorg.	Total.
Rs. 16,430	Rs. 3,784	Rs. 1,088	Rs. 64,559	Rs. 8,401	Rs. ..	Rs. 15,375	Rs. 49,907	Rs. 25,32,456
..	..	..	..	..	..	..	9,283	3,93,080
1,05,487	34	387	3,23,995	6,37,248	2,019	7,82,146	3,917	1,45,44,490
..	..	..	..	20,692	..	..	..	20,692
..	..	..	..	..	..	286	..	3,480
960	..	123	..	..	..	..	18,442	12,02,554
..	..	..	..	..	..	..	..	13,252
..	..	..	..	..	..	..	..	10,63,450
..	..	10,358	..	..	..	..	—266	1,47,953
..	..	..	..	..	..	4	..	2,18,523
..	..	..	..	..	..	..	..	49,305
..	..	..	..	..	..	18,177	..	47,181
..	..	..	..	..	..	1	..	51,448
..	..	..	3,231	..	..	..	..	61,259
..	..	..	..	..	..	..	140	36,682
..	..	..	..	..	..	..	..	22,415
..	..	..	..	..	..	..	..	3,086
..	..	18	..	..	..	20	..	26,861
27,408	13	1,082	..	13	..	..	..	40,476
..	..	..	..	..	..	..	..	64,368
1,50,291	3,831	13,056	3,91,785	6,66,354	2,019	8,16,009	81,423	2,05,43,011

69. Revenue, Civil and Criminal Courts' deposits are not kept distinct in the North-West Frontier Province, where the whole of the Civil Work (Revenue, Judicial and Criminal) is in charge of the same Deputy Commissioner. A similar arrangement is also in vogue in some of the districts in the Punjab.

There are two entirely different systems of deposit accounts. The first may be called the detailed plan, in which every receipt is treated as a separate item and every payment charged against some particular receipt. The second is the ledger plan, that is, a running account is kept of receipts and payments on some particular account (an estate, an institution, etc.). To every Ledger Account there is an "Administrator", the person authorized to pay money into the treasury or draw it out. Deposits kept on the latter plan are termed Personal Deposits.

The verification of the balance on the first plan is as follows :— The receipts and payments, which are recorded in detail in deposit registers, are posted monthly by totals into a proof sheet which provides, columns for recording the repayments of deposits credited in the same year and in each of the three preceding years. At the end of the year balances are struck upon the proof sheet separately for the different districts for each of the four years. The balance of the first year is usually written off the deposit account, as all balances unclaimed for more than three complete account years are ordinarily credited to Government. The aggregate balance on the proof sheet is then agreed with the balance on the general books of the class of deposits concerned and finally reconciled with the *plus* and *minus* memoranda received from treasuries or, where necessary, with the accounts received from Civil and Criminal Courts. The verification of the ledger form of deposit account consists mainly in agreeing the balance with that claimed by the Administrator.

Revenue Deposits	..	..	..	Cr.	Rs. 25,32,456
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70. These are mainly deposits made in Revenue Courts or in connection with the revenue administration. They also include earnest money deposits made by intending tenderers.

Personal Deposits	..	..	..	Cr.	Rs. 1,44,45,490
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71. The transactions recorded under this head are of the nature of banking deposit account. Acceptance certificates are still awaited in two cases each in Central Revenues and Bengal, seven in the Central Provinces, eight each in the Punjab and North-West Frontier Province, ten in Bombay and eighteen in Sind.

Political Agent's Deposits	..	..	..	Cr.	Rs. 20,692
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72. This deposit head is intended for the record of receipts coming into the hands of the Political Agents and Deputy Commissioners in

the North-West Frontier Province administering tribal areas for disbursement to tribes which prior to the abolition of irregular funds were kept out of Government accounts. Acceptance certificates are still awaited in two cases.

Public Works Deposits .. .. Cr. Rs. 12,02,554

73. It represents the net balance excluding Rs. 667 in the Punjab, which has been invested in interest bearing securities. There is a discrepancy of Rs. 109 in Baluchistan, which is still under investigation.

Indian Stores Department Deposits .. Cr. Rs. 10,63,450

74. The balance represents the amount deposited in advance by *quasi-public* bodies and Indian States, etc., for purchase of stores through the Indian Stores Department as well as the amounts deposited by Contractors of the Indian Stores Department for the due performance of their contracts.

Trust Interest Fund .. .. Cr. Rs. 1,47,953

75. The balance under this head represents mainly the amount of the interest payment orders issued in connection with the payment of interest on Government Securities held in trust remaining unpaid on 31st March, 1939.

The balance in Central Revenues includes Rs. 83,800 on account of discharged Capital of Government securities held in trust.

Indian Research Fund .. .. Cr. Rs. 36,682

76. This head is intended to record transactions in connection with the enquiry into epidemic diseases conducted from the funds at the disposal of the Indian Research Fund Association. Acceptance certificate is still awaited in Central Revenues.

Unclaimed Provident Fund Deposits .. Cr. Rs. 22,415

77. The balance represents the amounts in the General Provident Fund, the Indian Civil Service Provident Fund, the Contributory Provident Fund and other Miscellaneous Provident Funds remaining unclaimed for a period exceeding six months *vide* paragraphs 84 and 90 also.

Deposit Account of Railway Freight for Kharaghoda Salt .. .. Cr. Rs. 3,086

78. Money received from contractors in respect of removal of salt from Kharaghoda is credited to this head and the debits raised by Railway on account of freight charges are met from these credits.

**Deposits on account of moneys received on account of the King Emperor's Anti-Tuberculosis Fund** .. .. .

**Cr. Rs. 40,476**

79. This deposit head accommodates receipts at treasuries on account of the King-Emperor's Anti-Tuberculosis Fund pending remittance by issue of Remittance Transfer Receipts.

Certificates of acceptance are awaited in two cases in the Punjab.

**Miscellaneous Deposits** .. .. . **Cr. Rs. 64,368**

80. The credit balance is mainly composed of repatriation deposits received from the British Indians residing in Iraq and the revenue collected on behalf of His Highness the Khan of Kalat.

**Other Deposits** .. .. . **Cr. Rs. 4,89,94,000**

81. These comprise the deposits on the books of the non-Civil Account Officers, the details of which are as follows :—

	Cr.
	Rs.
Posts and Telegraphs .. .. .	1,88,18,584
Defence .. .. .	19,27,409
Railways .. .. .	2,82,48,007
<b>Total</b> ..	<b>4,89,94,000</b>

**Posts and Telegraphs Deposits** .. **Cr. Rs. 1,88,18,584**

82. The details are :—

	Cr.
	Rs.
Dead Savings Bank Accounts .. .. .	1,87,50,271
Unclaimed General Provident Fund Deposits .. .. .	58,425
Trust Interest Account .. .. .	589
Foreign Money Orders .. .. .	—7,42,137
Other items .. .. .	7,51,436
<b>Total</b> ..	<b>1,88,18,584</b>

83. Savings Bank Accounts in which no transactions have taken place for a specified period are transferred to a separate ledger called *Dead Savings Bank Ledger*. The amount outstanding in this ledger does not lapse to Government, but is retransferred to the current Saving Bank Ledger when the account is revived on the application of the depositor.

84. The balance under the head *Unclaimed General Provident Fund Deposits* represents the unclaimed deposits of the employees of the Postal Department *vide* paragraph 77.

85. The balance under *Trust Interest Account* represents the interest on Government Securities held on behalf of Posts and Telegraphs employees and Contractors remaining unpaid at the close of the year under report.

86. The debit balance under *Foreign Money Orders* represents net transactions on account of money orders exchanged with foreign countries. The entire balance has been adjusted in the accounts for 1939-40.

87. The balance under *Other Items* is composed of—

							Rs.
Fixed Deposits	..	..	..	..	..	..	4,54,567
Trunk Call Deposits	..	..	..	..	..	..	17,189
Indian Postal Orders	..	..	..	..	..	..	62,595
Miscellaneous	..	..	..	..	..	..	2,17,085
Total							7,51,436

The balance under *Fixed Deposits* includes deposits made by the Firms, Presses and other bodies and individuals for telegrams sent on the Deposit Account System. Under this system a deposit of an amount approximately equivalent to the cost of telegrams for a specified period is made by the parties concerned, and the telegrams sent daily are accepted by the Telegraph Offices without prepayment. The actual cost of the telegrams sent during a period is recovered by the department by presentation of bills. Under this head are also included deposits made by holders of Post Boxes for locks and keys supplied to them, and these deposits are paid back to them when the service ceases.

Telephone subscribers who are not Government officials used to be required to make a deposit to enable them to make calls over the Trunk Telephone lines from their telephones. This system has, however, been held in suspense as an experimental measure from the 1st October, 1936 and the deposits held at the time are being adjusted against Trunk Call bills. The balance under *Trunk Call Deposits* represents balance of these deposits at the end of the year 1938-39.

The balance under *Indian Postal Orders* represents the amount of Indian Postal Orders issued to the public but not paid to the end of 1938-39.

The balance under the head *Miscellaneous* is made up of a number of miscellaneous accounts such as excess credits in the cash accounts, balance of British Postal Stamps held in stock, short payment or recoveries of wrong payment of money orders, customs duty on Foreign Mail parcels etc. The balances have been verified with the exception of a few items aggregating Rs. 1,559 out of which Rs. 1,250 have since been settled.



# Defence Services Deposits .. .. Cr. Rs. 19,27,409

88. The particulars are detailed below :—

Name of the Military Commands and Districts.	Name of the Deposit.			Total
	Security Deposits.	Unclaimed Provident Fund Deposits.	Miscellaneous.	
	Cr. Rs.	Cr. Rs.	Cr. Rs.	Cr. Rs.
Northern Command .. ..	1,10,242	..	2,93,784	4,04,026
Military Accounts and Pensions, Lahore ..	86,571	16,887	3,58,770	4,62,228
Southern Command .. ..	52,412	..	5,64,279	6,16,691
Eastern Command .. ..	73,323	26	2,39,766	3,13,115
Royal Air Force .. ..	..	175	1,00,038	1,00,213
Army Factory Accounts .. ..	19,134	1,033	305	20,472
Naval Accounts .. ..	9,215	1,426	23	10,664
Total ..	3,50,897	19,547	15,56,965	19,27,409

89. The balance under the head *Security Deposits* represents mainly the security deposits received in cash from contractors and others by the officers of the Defence Department.

90. The balances under *Unclaimed Provident Fund Deposits* represent the amounts credited to the General Provident Fund and other Miscellaneous Provident Funds of the employees of the Defence Department but remaining unclaimed for a period exceeding six months, *vide* paragraph 77.

91. The balances under *Miscellaneous* are made up of (i) miscellaneous remittances to Home and Overseas authorities, which are placed under this head pending adjustment on receipt of debits in the Inward London Account Current, (ii) amounts on account of sale of coupons by Dairy Farms and (iii) other miscellaneous items held in deposit pending final adjustment.

# State Railway Deposits .. .. Cr. Rs. 2,82,48,007

92. The details are :—

Name of Deposit.	State Railways. Capital.	State Railways. Revenue.	Total. Rs.
	Rs.	Rs.	
1. Security Deposits of subordinates ..	510	8,71,023	8,71,533
2. Security deposits of contractors and others ..	3,06,221	33,08,283	36,14,504
3. Deposits for work done for private persons and public bodies .. ..	33,967	14,54,773	14,88,740
4. Unpaid wages .. ..	2,762	3,39,284	3,42,046
5. Sums due to contractors on closed accounts ..	3,020	67,455	70,475
6. Net earnings on worked lines .. ..	..	62,16,300	62,16,300
7. Private Companies .. ..	..	1,56,939	1,56,939
8. Miscellaneous .. ..	19,18,178	1,35,66,556	1,54,84,734
9. Trust Interest Fund .. ..	..	2,736	2,736
Total ..	22,64,658	2,59,83,349	2,82,48,007

The balance under *Trust Interest Fund* represents interest received on the Government Promissory notes of contractors, which was not paid to them before the close of the year under report.

Other Accounts . . . . . Cr. Rs. 13,91,652

93. The details of the balances in the various deposit accounts under this head are :—

Name of Deposit Account.	Central Revenues.	Balu-chistan.	Madras.	Bombay.	Punjab.	North-West Frontier Province.	Coorg.	Total.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Subventions from Central Road Fund .. ..	2,81,607	81,303	2,889	..	..	30,158	..	3,95,957
Deposit Account of grants for Economic Development and Improvement of Rural Areas ..	25,336	..	..	..	8,705	..	..	34,041
Deposit Account of grants made by the Imperial Council of Agricultural Research .. ..	—20,008	2,705	..	1,204	..	..	..	—16,099
Deposit Account of the Dangs .. ..	..	..	..	7,84,803	..	..	..	7,84,803
Balance of Coorg ..	..	..	..	..	..	..	1,92,950	1,92,950
Total ..	2,86,935	84,008	2,889	7,86,007	8,705	30,158	1,92,950	13,91,652

Subventions from Central Road Fund .. Cr. Rs. 3,95,957

94. This head is credited with subventions made from the Central Road Fund to Minor Administrations under the Central Government and in the tribal areas in the North-West Frontier Province for expenditure on approved schemes of road development and other objects mentioned in paragraph 57 and is debited with expenditure met from these grants. The balances under this head represent the amounts of the allotments from the Central Road Fund not spent on road development schemes, etc., to end of the year.

Deposit Account of Grants for Economic Development and Improvement of Rural Areas .. .. Cr. Rs. 34,041

95. The above head is credited with grants from the Fund for the Economic Development and Improvement of Rural Areas, to centrally administered areas to be spent on schemes for the amelioration of the conditions of the cultivators and rural areas. The balance under this head represents the amount of the grant from the Fund not spent to the end of the year.

Deposit Account of the grant made by the  
Imperial Council of Agricultural Re-  
search .. .. . Cr. Rs. —16,099

96. This represents the balance of grants received from the Imperial Council of Agricultural Research for expenditure on schemes of agricultural research and other allied objects. The entire balance has been adjusted in the accounts for 1939-40.

Deposit Account of the Dangs .. .. . Cr. Rs. 7,84,893

97. The receipts and payments connected with the administration by the Crown Representative, of the Dangs area in Surat District in Bombay, are accounted for under this head in the books of the Accountant General, Bombay.

Balance of Coorg .. .. . Cr. Rs. 1,92,950

98. The outstanding balance under this head represents the balance of the Government of Coorg in deposit with the Central Government on the 31st March, 1939.

### PART III.—ADVANCES NOT BEARING INTEREST.

99. The classes of transactions included under this group are the following :—

		India. Rs.	England. £
Advances Repayable .. .. .	Dr.	22,26,923	422
Permanent Advances (Civil, Posts and Telegraphs and Railways) .. .. .	Dr.	2,74,418	..
Accounts with His Majesty's Imperial Government .. .. .	Dr.	..	4,570
Accounts with Foreign Governments and Indian States .. .. .	Dr.	37,45,604	..
Accounts with the Government of Burma .. .. .	Cr.	5,42,817	..
Accounts with the Burma Railway Board .. .. .	Dr.	7,756	..
Accounts with the Reserve Bank .. .. .	Dr.	7,81,032	..
Coinage Accounts .. .. .	Dr.	1,10,33,860	..
Total .. .. .	Dr.	1,75,23,776	4,998

	..	..	..	Dr.	Rs. 22,26,923
Advances Repayable (India)	..	..	..	..	..

100. The following are the details:—

[illegible]

101. The *Civil Advances* include (i) various special accounts of large advances or of recurring outlay which are recoverable from different sources and (ii) a number of petty miscellaneous advances arising in the course of business and recoverable within a short time. The former are usually watched through separate accounts working up to the ledger; the latter pass only as a single account upon the ledger, but are recorded in detail in the Objection Books, through which the recoveries are watched. In the latter case, the ledger balance has to be agreed with the aggregate of the details in the "Objection Books", and in the former, similar reconciliation is necessary in those cases in which different classes of transactions are included in the same account.

**Objection Book Advances** .. .. Dr. Rs. 6,79,459

102. The ledger balances against this head are agreed with those shown in the broadsheets maintained in the Civil Account Offices and, therefore, with the aggregate of the items recorded as outstanding in the Objection Books. A discrepancy of Rs. 566 in Central Revenues and Rs. 90 in Madras between the ledger balances and those of the broadsheets are still under settlement. A sum of Rs. 18 was written off in Bihar.

**Other Advances** .. .. Dr. Rs. 98,020

103. The outstandings under this head represent the balance of various advances for departmental and other purposes.

The outstandings are either verified with separate accounts maintained in Civil Account Offices or agreed with the detailed statements received from the officers holding such advances.

**Special Advances** .. .. Dr. Rs. 1,65,551

104. This head records advances granted to Government officers and others under special orders of Government.

**Advances for Survey Operations** .. .. Dr. Rs. 58,773

105. The balance under this head represents the amounts of outstanding advances for Survey Expenditure, which are recoverable from private owners and other parties.

**Salt and Excise Advances** .. .. Dr. Rs. 247

106. A sum of Rs. 77 was written off. The certificate of acceptance of the balance is still awaited.

**Advances Recoverable—Posts and Tele-  
graphs** .. .. Dr. Rs. 3,47,791

107. The balance is composed of :—

					Rs.
(i)	Objection Book Advance	..	..	..	2,22,992
(ii)	Overpayment of Money Orders	..	..	..	10,181
(iii)	Cash Certificate Overpayments	..	..	..	12,812
(iv)	Customs Duty on Foreign Mail articles	..	..	..	96,365
(v)	Excess debit or short credit of Customs duty realisation	..	..	..	5,331
(vi)	Miscellaneous	..	..	..	110
	<b>Total</b>	..	..	..	<b>3,47,791</b>

108. Item (i) represents mainly the outstanding advances of pay and travelling allowances granted to officials at the time of their transfer. It also includes departmental losses which will either be recovered from the officials responsible for them or will have to be written off to Revenue. The balance includes unadjusted portions of the sums of Rs. 43,248 and Rs. 6,800 misappropriated by the Treasury Contractor of the Madras General Post Office in March and April, 1938 respectively. Out of these sums an amount of Rs. 10,931 has since been recovered and a sum of Rs. 7,000 has been written off during 1938-39. There is also the probability of a sum of Rs. 7,508 being realised. The question of adjustment of the remaining amount is under consideration.

Items (ii), (iii) and (v) relate to overpayments which will be adjusted either by recoveries from the public or from Departmental officials responsible for making overpayments or short credits or by write-off to Revenue.

Item (iv) relates to the amount of Customs duty levied on articles of Foreign Mails credited to the Civil Department in advance of recovery of the amount from the addressees of the articles.

**Advances Recoverable—Defence . . . . Dr. Rs. 8,70,208**

109. The details are :—

Military Commands and Districts.	Permanent Advances.	Advances Repayable.			Total.
		Advances proper.	Divisional Transfers Navy Bills Receivable, etc.	Advances from Military Treasury Chests.	
	Rs.	Rs.	Rs.	Rs.	Rs.
Northern Command .. .. .	18,815	2,79,243	..	—15,304	2,82,754
Military Accounts and Pensions, Lahore	28,605	7,071	..	..	35,736
Southern Command .. . . .	17,000	81,524	..	—2,280	96,244
Eastern Command .. .. .	44,186	48,467	..	—1,105	91,548
Royal Air Force .. .. .	1,967	200	..	..	2,167
Army Factory Accounts .. .. .	9,405	3,88,857	..	..	3,98,262
Naval Accounts .. .. .	500	—45,235	8,232	..	—36,503
<b>Total ..</b>	<b>1,20,538</b>	<b>7,60,127</b>	<b>8,232</b>	<b>—18,689</b>	<b>8,70,208</b>

110. The balance under *Advances Proper* shown against Northern Command includes Rs. 2,67,667 in respect of cost of ammunition issued to the Afghan Government and that against Southern Command includes Rs. 22,393 representing the value of Ordnance stores issued to foreign Governments. The balance against Army Factory Accounts includes Rs. 3,87,303 on account of issues to the Burma and the Australian Governments. The credit balance of Rs. 45,235 shown against Naval Accounts represents amount due to the Persian Gulf Lighting Service Fund on account of light dues on Admiralty Tankers due by the Admiralty.

The credit balances under the head *Advances from Military Treasure Chests* represent the value of cheques drawn in 1938-39 remaining uncashed on the 31st March, 1939.

Advances Repayable (England)	..	..	Dr.	£422
High Commissioner for India	..	..	Dr.	£422

111. The balance represents the outstanding amount of various advances made by the High Commissioner to Government Servants, Indian Students and others to cover the cost of their passage, education, Medical treatment, etc.

Permanent Advances	..	..	..	Dr.	Rs. 2,74,418
--------------------	----	----	----	-----	--------------

112. The following are the details :—

					Rs.
Civil—					
Central Revenues	..	..	..	..	92,240
Indian Stores Department	..	..	..	..	3,521
Baluchistan	..	..	..	..	20,495
Madras	..	..	..	..	10,487
Bombay	..	..	..	..	23,484
Bengal	..	..	..	..	44,140
United Provinces	..	..	..	..	3,540
Punjab	..	..	..	..	5,040
Bihar	..	..	..	..	990
Central Provinces and Berar	..	..	..	..	1,965
Assam	..	..	..	..	7,305
North-West Frontier Province	..	..	..	..	40,735
Orissa	..	..	..	..	125
Sind	..	..	..	..	2,065
Coorg	..	..	..	..	2,925
Total Civil					2,59,061
Posts and Telegraphs	..	..	..	..	14,102
Railways	..	..	..	..	1,255
Total					2,74,418

113. These advances are granted to officers of Government who have to meet contingent expenditure before they can place themselves in funds by drawing bills. There is a difference of Rs. 50 each in Bombay and Sind which are under investigation. Acceptance certificates have not yet been received in one case each in Bengal and Punjab and two cases in the North-West Frontier Province.

The Posts and Telegraphs balance includes Rs. 5,000 held by the Superintendent, Postal Seals, Aligarh, as working capital.

**Accounts with His Majesty's Imperial Govern-  
ment** .. .. .

Dr. £4,576

114. The details of the balance are :—

	Dr. £
Secretary of State .. .. .	2,367
High Commissioner .. .. .	2,209
	<hr/>
Total ..	4,576
	<hr/>

The debit balance in the accounts of the Secretary of State consists of miscellaneous expenditure incurred in 1938-39 on behalf of the Imperial Government and is expected to be recovered in full in 1939-40.

The debit balance in the High Commissioner's accounts is made up of (i) pensions issued to retired officers of the Government of India in respect of their services in various departments of the Imperial Government and (ii) freight charges on stores shipped to India on behalf of the Home Government by the Store Department. The amounts will be recovered in due course from the Home Government.



Rs. 37,45,604.

..

..

..

Accounts with Foreign Governments and Indian States

115. The details of the balance are:—

[Credit +, Debit —.]

	Central Revenues.	Indinn Stores Department.	Madras.	Bombay.	Bengal	Punjab.	Total.
	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.
Civil—							
1. His Majesty's Colonial Government, Ceylon ..	—1,08,457	..	..	..	..	..	—1,08,457
2. His Majesty's Colonial Government, Straits Settlements ..	—83,228	..	..	..	..	..	—83,228
3. His Majesty's Colonial Government, Mauritius ..	—60,002	..	..	..	..	..	—60,002
4. His Majesty's Colonial Government, Hongkong ..	—46,236	..	..	..	..	..	—46,236
5. His Majesty's Colonial Government, Aden ..	..	..	..	+1,486	..	..	+1,486
6. His Majesty's Protectorate Government, Federated Malaya States ..	—3,27,821	..	..	..	..	..	—3,27,821
7. His Majesty's Protectorate Government, Kedah States ..	—8,025	..	..	..	..	..	—8,025
8. His Majesty's Protectorate Government, Perlis ..	—451	..	..	..	..	..	—451
9. His Majesty's Protectorate Government, Uganda ..	+1,206	..	..	..	..	..	+1,206
10. His Majesty's Protectorate Government, Somaliland ..	+754	..	..	..	..	..	+754
11. His Majesty's Colonial and Protectorate Government, Kenya ..	+30,089	..	..	..	..	..	+30,089
12. His Majesty's Colonial Government, Rhodesia ..	+13,804	..	..	..	..	..	+13,804
13. The Government of Tanganyika Territory ..	+480	..	..	..	..	..	+480
14. Command Paymaster, Singapore ..	+1,730	..	..	..	..	..	+1,730
15. Command Paymaster, Teintin ..	+410	..	..	..	..	..	+410
16. Area Paymaster, Shanghai ..	+2,458	..	..	..	..	..	+2,458
17. Charges on account of Quarantine officers recoverable from the Iran Government ..	—01,963	..	..	..	..	..	—01,963
18. Accounts with other Foreign States ..	—34	..	..	..	..	..	—34
19. Account Current with Indinn States ..	—59,566	—15,033	—20,53,227	+22,680	—4,90,618	+0,14,203	—25,89,524
Total Civil ..	—7,05,452	—15,038	—29,55,227	+21,166	—4,90,618	+0,14,203	—32,93,924
Posts and Telegraphs ..	..	..	..	..	..	..	—4,51,680
Total ..	..	..	..	..	..	..	—37,45,604

116. The outstandings under *Colonial and other Foreign Governments* represent generally the balances due by or to those Governments, the accounts of which were not settled at the close of the year.

117. The following are the details of the balances under *Account Current with Indian States* :—

	Dr. Rs.	Cr. Rs.
<i>Central Revenues.</i>		
Charges recoverable from—		
Hyderabad .. .. .	56,174	..
Alwar .. .. .	400	..
Jhalawar .. .. .	7	..
Mewar .. .. .	700	..
Tonk .. .. .	..	804
Bikaner .. .. .	21	..
Indore .. .. .	324	..
Allowances of Agency Surgeons in Central India recoverable from Indian States .. .. .	2,557	..
Cost of British publications due from Indian States .. .. .	187	..
	60,370	804
	Net Dr. 59,566	

*Indian Stores Department.*

Charges recoverable from Hyderabad .. .. .	15,058	..
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*Madras.*

Charges recoverable from—		
Travancore- .. .. .	20,998	..
Cochin .. .. .	1,35,078	..
Mysore .. .. .	27,99,151	..
	29,55,227	..

*Bombay.*

Sawantwadi .. .. .	..	29,665
Kolhapur .. .. .	2,680	..
Jath .. .. .	4,305	..
	6,985	29,665
	Net Cr. 22,680	

						Dr. Rs.	Cr. Rs.
		<i>Bengal.</i>					
Cooch Bihar	..	..	..	..	..	4,96,648	..
		<i>Punjab.</i>					
Kashmir	..	..	..	..	..	..	6,24,560
Bahawalpur	..	..	..	..	..	..	65,083
Malerkotla	..	..	..	..	..	..	12,388
Patiala	..	..	..	..	..	..	78,728
Kapurthala	..	..	..	..	..	..	18,654
Jind	..	..	..	..	..	..	48,353
Faridkot	..	..	..	..	..	23,950	..
Chamba	..	..	..	..	..	..	1,427
Nabha	..	..	..	..	..	..	57,553
Mandi	..	..	..	..	..	..	16,993
Suket	..	..	..	..	..	..	3,595
Bikaner	..	..	..	..	..	46,364	..
Kalsia	..	..	..	..	..	..	3,769
Sirmur	..	..	..	..	..	..	9,327
Bilaspur	..	..	..	..	..	..	6,216
Khairpur	..	..	..	..	..	..	13,732
Nawab of Loharu	..	..	..	..	..	..	1,148
Patodi	..	..	..	..	..	..	1,053
Garhwal	..	..	..	..	..	..	22,030
						70,314	9,84,609
						Net Cr. 9,14,295	

The debit balance against the Cooch Bihar State does not represent a balance of any claim outstanding against the State but the balance of Government money lying in the Cooch Bihar State treasury which, under special arrangements, makes payment and receives money on behalf of Government.

118. The *Posts and Telegraphs* balance is made up of (i) Rs. 1,37,522 representing net payments by Post Offices on account of money orders exchanged with Indian States, (ii) Rs. 3,17,024 as net payments made by Post Offices into Durbar treasuries and (iii) Rs. 2,866 (Credit) on account of transfers of Savings Bank Accounts between Indian Post Office Savings Bank and the Postal Savings Banks of foreign countries. The entire balance has been adjusted in the accounts for 1939-40.



## FINANCE ACCOUNTS. CENTRAL GOVERNMENT.

## Coinage Accounts

121. The following

Head of Account.	India.	Baluchistan.	Madras.	Bombay.	Bengal.	United Provinces.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Bullion Advances .. ..	..	..	..	..	..	..
Bronze (and Copper) Coinage Account.	+5,34,142	..	..	-15,34,910	-2,33,842	..
Nickel Coinage Account ..	+74,52,358	..	..	-2,70,630	-4,91,061	..
Small Coin Depot Balances ..	-13,46,445	-1,32,600	-27,05,060	-13,61,032	-7,08,610	..
				-16,21,070	-13,40,260	-25,62,138
Total ..	+60,40,055	-1,32,600	-27,05,060	-47,88,548	-34,82,773	-25,62,138

.. .. Dr. Rs. 1,10,33,860

are the details :—

[Credits +, Debits—.]

Punjab.	Bihar.	Central Provinces and Berar.	Assam.	North-West Frontier Province.	Orissa.	Sind.	Total.
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
..	..	..	..	..	..	..	—24,68,752
..	..	..	..	..	..	..	—2,27,555
..	..	..	..	..	..	..	+53,81,816
—13,69,961	—6,49,100	—10,58,865	—2,51,970	—1,27,200	—20,800	—5,24,900	—1,37,19,369
—13,69,961	—6,49,100	—10,58,865	—2,51,970	—1,27,200	—20,800	—5,24,900	—1,10,33,860

## FINANCE ACCOUNTS. CENTRAL GOVERNMENT.

**Bullion Advances**

122. The debit balance represents the value of bullion received in the Mints but not cleared by coin delivered. Dr. Rs. 24,68,752

**Bronze (and Copper) Coinage Account**

123. The balance represents the difference between the value of metal in store *plus* the amount of bronze coins in stock on that date in the Mints and Small Coin Depots, which is not credited to revenue before actual issue of the coins. The details of these balances on the 31st March, 1939 are as follows :—

	Calcutta.	Bombay.
	Rs.	Rs.
(1) <i>Bronze Mintage Account</i> , being the value of metal in store in the Mints on 31st March, 1939 .. .. .	Dr. 3,49,161	2,44,753
(2) <i>Bronze Coin Account</i> , being the amount of bronze coins in the Mints on 31st March, 1939 .. .. .	Dr. 1,41,900	25,883
(3) <i>Mint Profit Account</i> , being the profit on coins in stock on the above date in the Mints and Small Coin Depots not yet brought to credit as revenue .. .. .	Cr. 5,34,142	..
Net Cr. 43,081	Dr. 2,70,636	
Net Dr. 2,27,555		

**Nickel Coinage Account**

124. The balance represents the difference between the value of nickel and cupro-nickel in store *plus* the amount of nickel coins in the Mints on the 31st March, 1939 and the profit on nickel coins in stock on that date in the Mints and Small Coin Depots which is not credited to revenue before actual issue of the coins. The details of these balances on the 31st March, 1939 are as follows :—

	Calcutta.	Bombay.
	Rs.	Rs.
(1) <i>Nickel Mintage Account</i> , being the value of nickel, cupro-nickel and wolston in store on 31st March, 1939 Dr. 4,44,610		5,03,452
(2) <i>Nickel Coin Account</i> , being the amount of nickel coins in the Mint on 31st March, 1939 .. .. .	Dr. 2,61,000	8,58,480
(3) <i>Mint Profit Account</i> , being the profit on coins in stock on 31st March, 1939 .. .. .	Cr. 74,52,358	..
Net Cr. 67,43,748	Dr. 13,61,932	
Net Cr. 53,81,816		

**Small Coin Depot Balance**

125. This represents the non-legal tender coins kept in stock for delivery to treasuries as required. Not being actual available cash the balance is held at debit of this account instead of as part of the general cash balance. Dr. Rs. 1,37,19,116

The details of the balance are :—

	Silver.	Nickel.	Bronze and Copper.	Total.
	Rs.	Rs.	Rs.	Rs.
Central Revenues Depots .. ..	6,78,000	5,91,400	77,045	13,46,445
Baluchistan Depots .. ..	69,000	59,000	4,600	1,32,600
Madras Depots .. ..	13,16,830	12,82,050	1,06,180	27,05,060
Bombay Depots .. ..	4,23,700	11,52,050	45,320	16,21,070
Bengal Depots .. ..	7,66,515	5,48,185	34,560	13,49,260
United Provinces Depots .. ..	11,77,850	12,53,900	1,30,388	25,62,138
Punjab Depots .. ..	6,51,063	6,26,621	92,277	13,69,961
Bihar Depots .. ..	3,47,500	2,82,300	19,300	6,49,100
Central Provinces and Berar Depots ..	2,23,900	7,86,550	48,415	10,58,865
Assam Depots .. ..	1,54,000	86,050	11,920	2,51,970
North-West Frontier Province Depots	52,000	68,000	7,200	1,27,200
Orissa Depots .. ..	13,500	6,150	1,150	20,800
Sind Depots .. ..	2,79,400	2,24,150	21,350	5,24,900
Total .. ..	61,53,258	69,66,406	5,99,705	1,37,19,369

#### PART IV.—SUSPENSE.

126. The classes of transactions included under this head are the following :—

	India.		England.
	Dr. Rs.	Cr. Rs.	Dr. £
Suspense Accounts .. ..	10,85,86,980	..	5,311,692
Purchases and Sales of Silver ..	48,30,40,420	..	..
Cheques and Bills .. ..	..	27,45,873	..
Departmental and Similar Accounts ..	2,16,40,372	..	..
Total .. ..	61,32,67,772	27,45,873	5,311,692
	Net Dr. 61,05,21,899		5,311,692



## Suspense Accounts (India)

127. The details of the

	Central Revenues.	Indian Stores Dep'tt.	Madras.	Bombay.	Bengal.	United Provinces.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Civil—						
Suspense Account—						
Objection Book Suspense	—4,503	..	—535	+601	—5,325	..
Bushire Suspense ..	—1,25,713	..	..	..	..	..
Discount on Treasury Bills	..	..	—5,166	—5,64,289	—9,10,980	—814
Central Excise and Salt Suspense.	..	+18,29,690	..	..	..	..
Other Suspense Accounts	+42,235	—8	—9,000	+3,784	—4,180	..
Central Accounts Office—						
Reserve Bank Suspense	..	+42	..	..	..	..
English Stores Suspense ..	—49,592	..	..	..	..	..
Burma's share of Silver Deficiency.	—34,04,442	..	..	..	..	..
Cash Balance Investment Account.	—79,500	..	..	..	..	..
Discount Sinking Fund ..	—9,22,48,688	..	..	..	..	..
Departmental Adjusting Account .. ..	..	—3,120	..	..	..	+1,48
Advance credit on account of Central transactions in Non-Bank Provincial treasuries and sub-trea- suries .. ..	..	..	..	..	..	—2,00,0
Total Civil ..	—9,59,30,203	+18,26,604	—14,701	—5,59,904	—9,20,485	—1,99,3
Posts & Telegraphs ..	..	..	..	..	..	..
Defence .. ..	..	..	..	..	..	..
Railways.. ..	..	..	..	..	..	..
GRAND TOTAL ..	..	..	..	..	..	..

Dr. Rs. 10,85,86,980

balances are :—

[Credits +, Debits—.]

Punjab.	Bihar.	Central Provinces and Berar.	Assam.	North-West Frontier Province.	Orissa.	Sind.	Total.
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
—32,866	+3,962	..	+314	+1,25,922	—686	+66	+86,950
..	..	..	..	..	..	..	—1,25,713
—14,804	..	..	..	..	..	—4,957	—15,01,010
..	..	..	..	..	..	..	+18,29,690
—5,653	..	..	..	+2,232	..	..	+29,410
..	..	..	..	..	..	..	+42
..	..	..	..	..	..	..	—49,592
..	..	..	..	..	..	..	—34,64,442
..	..	..	..	..	..	..	—79,500
..	..	..	..	..	..	..	—9,22,48,688
..	..	+109	..	..	..	..	—1,525
..	..	..	..	..	..	..	—2,00,009
—53,323	+3,962	+109	+314	+1,28,154	—686	—4,891	—9,57,24,378
..	..	..	..	..	..	..	+4,710
..	..	..	..	..	..	..	+21,23,754
..	..	..	..	..	..	..	—1,49,91,066
..	..	..	..	..	..	..	—10,85,86,980

**Objection Book Suspense** . . . . . Cr. Rs. 86,950

128. This is the main Suspense head upon the Civil Books. The entries under this head are zealously watched, as there is a general rule that this head should not be operated upon without special orders in each case.

As in the case of balances under Objection Book Advances, the ledger balance under this head has to be agreed with the aggregate of the separate accounts in the Objection Books.

**Bushire Suspense** . . . . . Dr. Rs. 1,25,713

129. The outstanding balance under this head includes a sum of Rs. 1,25,725 being the balance of the amount recoverable from the Hedjaz Government for the cost of arms and ammunition supplied by the Government of India.

**Discount on Treasury Bills** . . . . . Dr. Rs. 15,01,010

130. The debits under this head relate to discount in respect of treasury bills issued to the public which did not accrue during the year under report, the debits being cleared by charge to revenue in the following year when the bills are paid off on maturity.

**Central Excise and Salt Suspense** . . . . . Cr. Rs. 18,29,690

131. The balance includes a sum of Rs. 18,25,340 due to Indian States on account of preliminary distribution of match excise Pool of 1933-39, as the payments could not be arranged for before the close of the year.

**Central Accounts Office—Reserve Bank  
Suspense** . . . . . Cr. Rs. 42

132. The amount is outstanding in the books of the Chief Auditor, Indian Stores Department on account of certain State Railway Provident Fund subscription which could not be passed on to the North-Western Railway in 1938-39 due to the late receipt of information. The balance has been cleared in 1939-40.

**English Stores Suspense** . . . . . Dr. Rs. 49,592

133. Debits and credits on account of English Stores which appear in the Home Accounts and which are required to be adjusted entirely and exactly in the Indian Accounts, are taken under this head if they cannot be finally adjusted under the appropriate heads at once.

**Burma's Share of Silver Deficiency.** . . . . . Dr. Rs. 34,64,442

134. The amount due from the Government of Burma on account of its share of silver deficiency, is debited to this head by credit to "Purchases and Sales of Silver". This debit will be cleared by cash payment by the Government of Burma in fifteen annual equated instalments.

Cash Balance Investment Account .. Dr. Rs. 70,500

135. The balance under this head represents the value of the balance of the Reserve Bank of India shares held by Government under Section 4 (8) of the Reserve Bank of India Act II of 1934.

Discount Sinking Fund .. .. Dr. Rs. 9,22,48,688

136. The discount on Rupee Loans is charged in the first instance to this suspense head and is gradually written off by annual payments out of revenue, the instalments being calculated on a Sinking Fund basis. The balance is distributed as shown below :—

					Rs.
5 per cent. loan, 1930-44	..	..	..	..	19,37,315
5 " " " 1940-43	..	..	..	..	25,01,011
4½ " " " 1955-60	..	..	..	..	41,84,182
4 " " " 1960-70	..	..	..	..	5,21,12,360
4 " " " 1943 ..	..	..	..	..	15,21,354
3½ " " " 1947-50	..	..	..	..	1,41,12,649
3 " " " 1941 ..	..	..	..	..	4,89,317
3 " " " 1951-54	..	..	..	..	50,50,157
3 " " " 1963-65	..	..	..	..	1,03,37,337
Total				..	<u>9,22,48,688</u>

Advance Credit on account of Central transactions in Non-Bank Provincial treasuries and Sub-treasuries .. .. Dr. Rs. 2,00,000

137. The balance represents the amount placed at the credit of the Government of the United Provinces as a permanent deposit to cover the amount by which the Provincial balance is depleted on account of central transactions in Non-Bank Provincial treasuries and sub-treasuries.

Posts and Telegraphs Suspense .. .. Cr. Rs. 4,710

138. The balance is made up of :—

				Rs.
(i) Postage stamps with Telegraph Masters ..	..	..	Dr.	7,941
(ii) Trade Charges Money Orders ..	..	..	Cr.	90,239
(iii) Savings Bank Investment Account ..	..	..	Cr.	67,024
(iv) Miscellaneous ..	..	..	Dr.	1,46,543
Net Cr.				<u>4,710</u>

Item (i) represents the balances of stamp imports held in cash by Telegraph Masters on the 31st March, 1939.

Item (ii) represents the amount of 'Trade Charges Money Orders' held under suspense. By a special arrangement with certain foreign countries, the value of articles sent by Parcel post is collected from the

addressees and the amounts so collected technically called—'Trade Charges' are remitted to the senders by card Money Orders. These amounts are placed under 'suspense' pending settlement with the country concerned. There was a difference of Rs. 104 between the ledger-balance and the subsidiary register balance, out of which a sum of Rs. 38 has since been adjusted and the rest is under reconciliation. The entire balance under this head has been adjusted in 1939-40 with the exception of Rs. 71.

Item (iii) is composed of:—

Imprest of Government securities held by the Deputy Accountant General, Posts and Telegraphs, Calcutta, to avoid frequent purchases to meet the demands of Savings Bank Depositors	.. Dr.	Rs. 90,573
Less—		
Interest on Government securities on behalf of deceased depositors	.. Cr.	1,35,691
Sale proceeds of Government Promissory Notes on behalf of deceased depositors	.. Cr.	12,731
Amount of unpaid anticipatory interest	.. Cr.	428
Difference under investigation	.. Cr.	1,727
	Net Cr.	60,004

Item (iv) represents the net result of credits and debits taken to Suspense for want of necessary particulars.

Defence Suspense

.. Cr. Rs. 21,23,754

139. The balance is made up of the following items:—

(Credits +, Debits—)

Military Commands and Districts.	Sale proceeds of surplus Military lands and buildings.	Other Suspense Accounts.	Total.
	(1)	(2)	(3)
	Rs.	Rs.	Rs.
Northern Command .. ..	+16,13,283	—23,885	+15,89,398
Military Accounts and Pensions, Lahore .. ..	..	—4,961	—4,961
Southern Command .. ..	..	+2,793	+2,793
Eastern Command .. ..	+6,23,010	—81,248	+5,41,762
Royal Air Force .. ..	..	—5,238	—5,238
Total .. ..	+22,36,293	—1,12,539	+21,23,754

The credit balance under head (1) against Northern Command represents receipts accruing from disposal of surplus military lands and buildings, held in suspense pending utilisation on essential military works and other amenities to troops, while that against Eastern Command represents the sale proceeds of certain buildings and sites in the area known as Hastings Government Estate to the south of Fort William at Calcutta which are in the possession of the military authorities but which they no longer require. The estate is in the occupation partly of the Government of Bengal and partly of the military authorities. The military portion of the expenditure on the improvements of the estate will be met from these sale proceeds and the balance, if any, will be equally divided between the Governments of India and Bengal.

The outstanding balances under head (2) on the books of Military Accounts officers are mostly miscellaneous debits and credits which could not be allocated to proper heads in the accounts of the year.

**Railway Suspense .. .. . Dr. Rs. 1,49,91,066**

140. The balance is made up of :—

	Rs.
(i) Suspense Account .. .. . Dr.	13,865
(ii) Railway Deposit Investment Account .. .. . Dr.	3,57,761
(iii) Companies' Railways Provident Fund Investment Account .. .. . Dr.	1,46,19,440
<b>Total ..</b>	<b>1,49,91,066</b>

The balance under (i) represents London Account transactions for March, provisionally adjusted under this head in order to clear the remittance accounts and included in the accounts of the railways concerned against proper heads in the next year.

Heads (ii) and (iii) exhibit separately the investments made from the Railway Deposits, and the Companies' Railways Provident Fund and represent the amounts actually invested in the purchase of securities, Government papers, etc.

**Suspense accounts (England) .. Dr. £ 5,311,692**

141. The details are :—

*I.—Account of the Secretary of State.*

	Dr. £	Cr. £
(i) Discount on India Loans .. .. .	5,063,648	..
(ii) Purchase of India Stock, Premium, etc. .. .. .	125,880	..
(iii) Sterling Family Pension Funds (Transferred) .. .. .	2,104	..
(iv) Bengal and North-Western Railway 5% Debenture Stock Discount Sinking Fund .. .. .	..	42,021
(v) Account with the Government of Burma .. .. .	..	1,088
(vi) Balances with Sub-Accountants .. .. .	35,241	..
(vii) Account with the High Commissioner for India .. .. .	1,013	..
(viii) Miscellaneous .. .. .	3,638	..
	<b>5,231,524</b>	<b>43,109</b>
	<b>Net Dr. £ 5,188,415</b>	

## II.—Account of the High Commissioner for India.

	Dr. £	Cr. £
(i) Balances with Sub-Accountants .. .. .	79,893	..
(ii) Account with the Government of Burma .. .. .	34,419	..
(iii) Passages .. .. .	5,284	..
(iv) Fines and Penalties .. .. .	..	118
(v) Account with the Secretary of State for India .. .. .	..	1,013
(vi) Miscellaneous .. .. .	4,812	..
	<hr/> 124,408	<hr/> 1,131
	Net Dr. £ 123,277	
	<hr/> Net Dr. £ 5,311,692	
Total .. .. .		

142. The balances under these heads are explained below :—  
*Secretary of State.*

*Item (i).*—Represents the balance outstanding on 31st March, 1939 of the amount of discount incurred on the issue of sterling loans since 1921-22, which is in course of adjustment by appropriate half-yearly instalments, against Revenue. The balance under this head excludes an amount of £6,273,931 representing the difference between 7 per cent. stock exchanged for 3 per cent. stock in 1921-24 and 3 per cent. stock issued in exchange.

*Item (ii).*—A sum of £200,000 is applied each year to the purchase and cancellation of debt in accordance with the provisions of various Acts now consolidated in the East India Loans Act, 1937. The nominal amount of stock purchased is recorded under "Public Debt" and the difference between this amount and the actual cost is adjusted direct against Revenue. In 1937-38, advantage was taken of the large sterling resources available to purchase and cancel an additional £2,150,000 of "dated" India stocks at a cost of £2,305,697. As the total amount of premium, though more than covered by the eventual saving in interest, is considerable, it is being adjusted against Revenue by half-yearly instalments during the remainder of the currency of the stock concerned: one instalment appears in the accounts for 1938-39.

*Item (iii).*—The amount by which the annual receipts of subscriptions, etc., to the Transferred Section of each of the four sterling family pension funds exceed or fall short of the amount of pensions paid, is payable to or recoverable from the Commissioners who now hold the capital of these Transferred Funds (see paragraph 27). Adjustment was made in 1938-39 of the estimated amount of transactions to 31st March, 1939 and the balance will be adjusted in 1939-40. The particulars are :—

Debit balances (Amounts due from the Commissioners)—	£
.. Superior Services (India) Family Pension Fund (Transferred) ..	1,081
.. Indian Military Service Family Pension Fund (Transferred) ..	598
.. Indian Civil Service Family Pension Fund (Transferred) ..	830
	<hr/> 2,509

# FINANCE ACCOUNTS. CENTRAL GOVERNMENT.

151

Credit balance (Amount due to the Commissioners)—  
Indian Military Widows' and Orphans' Fund (Transferred) .. ..  
Net debit balance .. ..

£

405

2,104

*Item (iv).*—The balance represents the accumulated amount of sums charged against the Railway Revenue Account, together with interest paid from General Revenues on the accumulated balance, to provide for the redemption on maturity in November, 1945, of the discount on issue (£88,000) of the State portion of the Debenture Stock issued in 1925 and 1932.

*Item (v).*—This amount represents the balance of transactions in the accounts of the Secretary of State for India which are adjustable with Burma. The balance has been cleared in 1939-40.

*Item (vi).*—Represents fixed imprests and outstanding balances of advances given to Banks, Dominion Governments, etc., in respect of payments made or to be made by them on Indian accounts.

*Item (vii).*—This account has been introduced as from 1st April, 1937 for the purpose of facilitating financial adjustments between the High Commissioner's Office and the India Office. Formerly, an account current was maintained, receipts and payments by one office on behalf of the other being adjusted against the lump sum transfers of cash made by the Secretary of State to finance the High Commissioner's requirements; but as a result of the new procedure for the accounting and adjustment of Home transactions, whereby the cash requirements of the High Commissioner are drawn directly from the Reserve Bank, revision of the system became necessary. It was accordingly decided, in agreement with the India Office, to deal with these transactions in the Suspense Section through the medium of an account to be settled periodically in cash. The Account normally shows a debit against to the Secretary of State, which is adjusted monthly by cash payments to the High Commissioner's account, while in order to minimise the unadjusted balance at the end of the year, a payment on account, is made by the Secretary of State, in March, the balance carried forward being cleared in April. The balance corresponds with that shown under "Secretary of State" in the High Commissioner's books and has been cleared in 1939-40.

*Item (viii).*—The balance consists of sundry other items in course of adjustment.

*High Commissioner.*

*Item (i).*—It represents balances formerly included in the cash balance, but which from the year 1934-35 have been transferred to a new sub-head under "Suspense".

*Item (ii).*—It represents the amount due to or from the Government of Burma in respect of payments made initially from the Accounts of the High Commissioner for India. The cash transactions on account of the Government of Burma are operated in the first instance through the cash account of the Government of India, such payments being recouped



periodically within the month on an estimated basis and the final balance each month being cleared at the beginning of the next month. The balance has been cleared in 1939-40.

*Item (iii).*—It represents financial adjustments with Shipping Companies in respect of which necessary recoveries could not be made in the year 1938-39.

*Item (iv).*—It records fines provisionally deducted from contractors for the supply of stores because of non-compliance with the terms of the contracts. The recoveries are subsequently transferred to the credit of the indenting departments when the account of the fine is finally settled.

*Item (v).*—See item (vii) above under *Secretary of State*.

*Item (vi).*—It is the net result of miscellaneous debit and credit balances and includes £4,820 on account of unadjusted balance of advances to the Union Government of South Africa for payment to Officers on leave from India.

**Purchases and Sales of Silver .. Dr. Rs. 48,30,40,420**

143. This head replaces the head "Gain or Loss on Revaluation, Sale, Transfer, etc., of Assets of the Paper Currency Reserve—Losses on Sales of Silver" which was formerly used as a suspense head to accommodate the book losses arising out of sales of Currency Reserve Silver. The equivalent of surplus sterling assets which lapsed to Government on the closing down of the Gold Standard Reserve, after allowing for Rs. 10 crores retained to constitute the Silver Redemption Reserve, was taken to the credit of this head in the accounts for 1935-36. The outstanding debits are being gradually reduced by proceeds of silver sales and other receipts. Further debits to this will consist mainly of (a) payments to the Reserve Bank for return of coin under Section 36 (1) of the Reserve Bank of India Act, except in so far as such payments are to be made in the form of sterling assets from the Silver Redemption Reserve; and (b) incidental charges connected with silver sales including shipment of silver.

The following are the details:—

						Rs.
Central Revenues	..	..	..	..	..	45,06,67,235
Bombay	..	..	..	..	..	3,23,03,569
Bengal	..	..	..	..	..	69,616
Total ..						48,30,40,420

Cheques and Bills .. .. Cr. Rs. 27,45,873

144. The following are the details:—

				Rs.
Pre-audit and Departmental Cheques,	Central Revenues	..	Cr.	28,445
"	"	"	Indian Stores Department	Cr. 24,54,996
"	"	"	Baluchistan	.. Cr. 10,723
"	"	"	Madras	.. Dr. 11,789
"	"	"	Bombay	.. Cr. 1,06,013
"	"	"	Bengal	.. Cr. 69,343
"	"	"	United Provinces	.. Cr. 4,660
"	"	"	Punjab	.. Cr. 19,760
"	"	"	Central Provinces and Berar	.. Cr. 4,619
"	"	"	North-West Frontier Province	.. Cr. 220
"	"	"	Sind	.. Cr. 58,883
Total				.. Cr. 27,45,873

These balances represent the value of cheques issued but remaining unpaid on the 31st March, 1939. The debit balance in Madras is due to a temporary advance of Rs. 22,000 drawn by the Account office on the 31st March, 1939 to meet pension payments on the 1st April, 1939. There was a discrepancy of Rs. 9,472 in Baluchistan, which has since been settled.

Departmental and Similar Accounts .. Dr. Rs. 2,16,40,372

145. These are cash balances in the hands of several disbursing officers of different departments. These do not form part of the general cash balance of Government.

The following are the details:—

				Rs.	Rs.
<b>Civil Departmental Balances—</b>					
Central Revenues	..	..	Dr.	3,04,101	
Indian Stores Department	..	..	"	6,776	
Baluchistan	..	..	"	10,335	
Madras	..	..	"	5,13,820	
Bombay	..	..	"	26,12,407	
Bengal	..	..	"	9,78,161	
United Provinces	..	..	"	12,844	
Punjab	..	..	"	2,43,075	
North-West Frontier Province	..	..	"	41,945	
Orissa	..	..	"	252	
Coorg	..	..	"	98	
					47,23,814
Posts and Telegraphs Cash Balances	..	..	"		1,39,41,038
<b>Defence Cash Balances—</b>					
Northern Command	..	..	"	4,24,865	
Military Accounts and Pensions, Lahore	..	..	"	—2,83,215	
Southern Command	..	..	"	—2,72,418	
Eastern Command	..	..	"	—3,93,637	
Royal Air Force	..	..	"	—3,152	
Naval Accounts	..	..	"	2,965	
					—5,24,592
<b>State Railway Cash Balances—</b>					
Revenue Account	..	..	"	34,67,786	
Capital Account	..	..	"	32,326	
					35,00,112
Total				..	2,16,40,372

**Civil Departmental Balances** . . . . . **Dr. Rs. 47,23,814**

146. The details are :—

	Rs.
Public Works .. .. .	13,572
Forest .. .. .	65
Salt and Customs .. .. .	12,27,047
Mint .. .. .	28,73,256
Other Departments .. .. .	6,09,874
<b>Total</b> ..	<b>47,23,814</b>

There was a discrepancy of Rs. 9,472 under Public Works in Baluchistan, which has since been settled.

**Posts and Telegraphs Cash Balances** . . . **Dr. Rs. 1,39,41,038**

147. These include value of stamps in the hands of Postmasters and cash in hand of other disbursing officers of the department on the 31st March, 1939. There are discrepancies between the ledger balance and the cash balance certificates received from the Postmasters in two cases, which are under investigation.

**Defence Cash Balances** . . . . . **Dr. Rs. —5,24,592**

148. These are made up of (i) debit balances representing the actual cash balance on 31st March, 1939 in the hands of disbursing officers of the department and (ii) credit balances representing the amounts due to Officers Commanding Units and Formations on account of balances of pay and allowances due to British soldiers who are allowed to draw every week as much as they need to the extent of their monthly pay and allowances.

**State Railway Cash Balances** . . . . . **Dr. Rs. 35,00,112**

149. These include Rs. 1,77,520 on account of unrealised credit notes.

#### PART V.—MISCELLANEOUS.

150. The details are :—

India .. .. .	Cr. Rs. 42,090
England .. .. .	Cr. £ 456,552

The balance in India represents the amount of the contribution money recoverable from the Bikaner Durbar towards its share of expenditure on the Sutlej Valley Project at the close of the year.

The balance in England is accounted for by the—

	Cr. £
Secretary of State .. .. .	426,865
High Commissioner .. .. .	29,687
<b>Total</b> ..	<b>4,56,552</b>

The balance on the books of the Secretary of State is made up mostly of a credit of £418,025 representing the half-yearly interest on the balance of British War Loan which fell due in December, 1932 but was not disbursed, the amount being charged to Revenue in the accounts for 1932-33 by credit to this head. It appears unlikely that payment will be required and the question of disposal of the credit balance is under consideration. The other items included under this head represent mainly items of receipts of a miscellaneous character held in suspense pending disbursement in subsequent years besides a sum of £7,448 on account of the balance of British Income Tax collected at the India office in 1938-39 and paid over to the Imperial Government in 1939-40.

**SECTION Q.—LOANS AND ADVANCES****BY THE CENTRAL GOVERNMENT****Dr. Rs. 1,43,99,18,164**

151. This section is sub-divided into the following divisions:—

	Rs.
Advances to Provincial Governments .. ..	1,23,28,09,843
Advances to Crown Representative for loans to Indian States, etc. .. ..	61,100
Loans to Indian States .. ..	11,51,51,694
Loans to Local Funds, etc. .. ..	8,98,99,378
Loans to Government servants .. ..	19,96,149
<b>Total ..</b>	<b>1,43,99,18,164</b>

**Advances to Provincial Governments .. Dr. Rs. 1,23,28,09,843**

152. The debit balance under this head represents the outstanding liability in respect of the loans granted by the Central Government to the Provincial Governments and to the Coorg Administration and includes the balances of the liabilities of the Provincial Governments to the Provincial Loans Fund on the 31st March, 1937 which were not cancelled under the scheme for the decentralisation of balances and the cancellation and consolidation of debt on the introduction of Provincial Autonomy.

The amount of the balances of loans outstanding against the Governments concerned are given below:—

	Rs.
Madras .. ..	7,44,32,723
Bombay .. ..	31,79,73,595
United Provinces .. ..	25,19,24,074
Punjab .. ..	26,59,63,035
Central Provinces and Berar .. ..	3,25,43,708
Sind .. ..	28,95,68,150
Coorg .. ..	4,04,558
<b>Total ..</b>	<b>1,23,28,09,843</b>

**Advances to Crown Representative for****loans to Indian States, etc. .. Dr. Rs. 61,100**

153. The balance represents the outstanding liability in respect of the advances made by the Central Government to the Crown Representative for loans to notabilities. The details of the balance are:—

	Rs.
Central Revenues .. ..	60,000
Madras .. ..	1,100
<b>Total ..</b>	<b>61,100</b>

# Loans to Indian States .. .. Dr. Rs. 11,51,51,694

154. It represents the balance of loans made by the Government of India to Indian States prior to the 1st April, 1937. The following are the details:—

						Rs.
Central Revenues	..	..	..	..	..	16,55,944
Madras	..	..	..	..	..	14,89,389
Bombay	..	..	..	..	..	22,971
Bengal	..	..	..	..	..	6,82,036
Punjab	..	..	..	..	..	11,10,51,354
North-West Frontier Province	..	..	..	..	..	2,50,000
Total						11,51,51,694

The balance on the books of the Accountant General, Central Revenues, consists of outstandings against the Alwar and the Tonk States. A sum of Rs. 3 lakhs was repaid by the Alwar Darbar in advance.

The balance on the books of the Accountant General, Madras, represents the amount of loan advanced to the Cochin Government in connection with its harbour works.

The balance on the Bombay books is composed of outstandings against various States in the Western India States and other Political Agencies. A sum of Rs. 1,27,338 was written off on account of loans to non-jurisdictional estates.

The balance in Bengal represents the balance of the loan to the Tripura State.

The balance in the Punjab represents the balance of the loan due from the Bahawalpur State in connection with the State portion of the Sutlej Valley Project and the balance of Account Current transactions. As under the terms of the agreement it is not possible for the Bahawalpur Durbar to verify the balance of the loan on account of the Sutlej Valley Project at the end of each year, the Auditor General has dispensed with the acceptance by the Durbar, of the annual balance of the loan.

The balance in the North-West Frontier Province represents loans outstanding against two Indian States. These loans are free of interest.

155. The following are the details:—

	Central Revenues.	Indian Stores Depart- ment.	Baluchis- tan.	Madras.	Bombay.	Bengal.	Punjab.	Bihar.	North- West Frontier Province.	Sind.	Coorg.	Railways.	Total.
	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.
Loans to Major Port Trusts and Port Funds.	..	..	..	1,57,13,922	4,69,28,464	38,74,882	..	..	..	..	..	..	6,05,17,208
Loans to Municipalities ..	78,59,119	..	1,00,000	..	..	..	..	..	..	..	..	..	79,59,119
Loans to District and other Local Fund Committees.	65,93,000	..	..	..	..	..	..	4,78,938	..	..	..	..	70,71,938
Loans to Landholders and other Notabilities.	..	..	63,583	..	..	..	990	..	..	..	..	..	64,573
Loans to Railway Companies	..	..	..	..	..	..	..	..	..	..	..	20,10,000	20,10,000
Advances to Cultivators ..	7,64,486	..	4,99,040	..	..	..	..	..	69,800	..	5,29,735	..	18,63,061
Advances under Special Laws.	34,61,987	..	..	..	..	..	..	..	..	..	..	..	34,61,987
Miscellaneous Loans and Advances.	9,07,335	26,858	7,333	..	6	..	10,000	..	..	..	..	..	9,51,432
Total ..	1,95,85,827	26,858	6,09,956	1,57,13,922	4,69,28,470	38,74,882	10,990	4,78,938	69,800	..	5,29,735	20,10,000	8,98,99,378

Loans to Major Port Trusts and Port Funds .. Dr. Rs. 6,65,17,238

156. The balances are composed of the following :—

*Madras.*

	Rs.
(i) Madras Port Trust .. .. .	97,66,564
(ii) Cochin Landing and Shipping Dues Fund .. .. .	59,47,358

*Bombay.*

(iii) Bombay Port Trust .. .. .	4,69,28,464
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*Bengal.*

(iv) Chittagong Port Fund .. .. .	38,74,882
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Total ..	6,65,17,268
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In respect of an interest-free-loan of Rs. 3 lakhs included in (ii) above, no repayment has been made as the terms of repayment have not yet been settled.

Loans to Municipalities .. .. . Dr. Rs. 79,59,119

157. The balance under this head is made up of Rs. 51,922, Rs. 5,88,648, Rs. 72,18,549 and Rs. 1,00,000 being the balances of loans granted to Ajmer, Delhi, New Delhi and Quetta Municipalities respectively.

Loans to District and other Local Fund

Committees .. .. . Dr. Rs. 70,71,938

158. The balance on the books of the Accountant General, Central Revenues, is made up of Rs. 39,000 and Rs. 65,54,000 representing the balances of loans to the Notified Area Committee, Shahdara and the Delhi Improvement Trust, respectively. The outstanding in Bihar represents the aggregate balance of the three loans granted to the Ranchi European Mental Hospital.

Loans to Landholders and other Notabilities .. Dr. Rs. 64,573

159. The balance on the books of Baluchistan relates to loans granted to three chiefs. The outstanding in the Punjab is made up of a loan to an Afghan refugee and Bibi Hazara Khatoon.

Loans to Railway Companies .. .. . Dr. Rs. 20,10,000

160. The balance under this head represents an advance to the Bombay, Baroda and Central India Railway Company originally made from the assets of the Company's Provident Fund ; since 1917, when the assets and liabilities of the Company's Railway Provident Fund were taken over by Government, it has virtually become a loan from Government to the Company.

Advances to Cultivators .. .. . Dr. Rs. 18,63,061

161. The balances under this head represent outstandings on account of advances made under the Land Improvement Act and the Agriculturists Loans Act and advances to Co-operative Societies. The detailed accounts of these loans are maintained by District and Revenue Authorities who are also responsible for watching the recoveries of principal and interest. The verification of these balances, therefore, consists chiefly in agreeing the ledger balances with the aggregate of the balances worked out in the broadsheets kept in the Civil Accounts offices ; the latter being



reconciled with the administrative balances certified by the District or other responsible officers concerned. Acceptance certificates are still awaited in two cases in Coorg and one each in North-West Frontier Province and Baluchistan. A sum of Rs. 50 was written off in Coorg, Rs. 491 in Baluchistan and Rs. 162 in the Andaman and Nicobar Islands.

**Advances under Special Laws . . . . . Dr. Rs. 34,61,987**

162. The balance under this head is made up of Rs. 33,18,704 being the amount recoverable from the Delhi Joint Water Board and Rs. 1,43,283 on account of advances made to the Istimrardars of Ajmer.

**Miscellaneous Loans and Advances . . . . . Dr. Rs. 9,51,432**

163. The balance on the books of the Accountant General, Central Revenues, is made up partly of the balance of loans granted to the New Delhi Gymkhana Club, the Young Women's Christian Association, the Roman Catholic Church, New Delhi, Beawar Central Co-operative Bank and Delhi Central Electric Power Authority, Limited and partly of the balance of the amount representing the cost of munitions supplied to the Tibetan Government during 1933, which has been treated as a loan free of interest and repayable in annual instalments of Rs. 1 lakh each commencing from 1934-35. The balance under the Indian Stores Department represents loans granted to the miners at Khewra for building houses. The balance in Baluchistan represents loans granted in 1931-32 to the sufferers from earthquake of 1931. The balance in Bombay is of miscellaneous advances granted to clerks, policemen, teachers, etc., in the Mahikanta Agency for building and repairing their houses damaged in the floods. The balance on the Punjab books relates to a loan sanctioned by the Government of India for the construction of the Roman Catholic Church at Simla. The loan is free of interest and is repayable in biennial instalment of Rs. 10,000. The balance is repayable in 1939-40.

**Loans to Government servants . . . . . Dr. Rs. 19,96,149**

164. These loans represent temporary advances to Central Government servants for house-building, purchase of motor cars and similar purposes and carries interest at the prescribed rate. As a special case, interest free advances were given to sufferers from the earthquake of 1934 for rebuilding houses and other purposes, and these advances have been included in this section. The distribution between Civil and Non-Civil is as follows :—

					Rs.
					Dr.
Civil Department Advances	..	..	..	..	5,27,020
Non-Civil Department Advances	..	..	..	..	14,69,129
			Total	..	19,96,149

The grant to Government servants of house-building advances and advances for the purchase of conveyances, tents, etc., has been discontinued from 1st March, 1938.

## Loans to Government Servants—

Civil Department Advances .. .. . Dr. Rs. 5,27,020

165. The following are the details:—

	Central Reve- nues.	Indian Stores Depart- ment.	Balu- chistan.	Madras.	Bombay.	Bengal.	United Pro- vinces.	Punjab.	Bihar.	Central Pro- vinces and Berar.	Assam.	North- West Frontier Pro- vince.	Orissa.	Sind.	Coorg.	Total.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
House-building Advances ..	48,594	2,959	5,554	25,165	4,225	45,952	32,120	35,467	10,323	11,805	21,536	3,261	..	4,551	9,053	2,60,565
Advances for the purchase of motor cars.	1,34,064	15,327	10,581	20,430	9,961	22,193	4,202	17,460	..	75	..	15,550	..	627	402	2,50,872
Advances for the purchase of other conveyances.	4,392	1,138	74	315	32	..	107	—57	..	..	..	9	147	..	80	6,237
Passage Advances ..	8,569	96	..	..	..	..	..	696	..	..	..	..	..	..	..	9,361
Other Advances ..	..	..	..	..	—15	..	..	..	..	..	..	..	..	..	..	—15
Total ..	1,95,619	19,520	16,209	45,910	14,203	68,145	36,429	53,566	10,323	11,880	21,536	18,820	147	5,178	9,535	5,27,020

166. Acceptance certificates are still awaited in one case each in Punjab, Bihar and Coorg for 'House building advances', one each in Punjab, Coorg, United Provinces and Bengal, two in Bombay, eight in Central Revenues and twelve in Madras for 'Advances for the purchase of motor cars', two in Central Revenues and four in Bombay for 'Advances for the purchase of other conveyances' and one in Central Revenues for 'Passage advances'.

There is a discrepancy of Rs. 5 under 'Advances for the purchase of motor cars' and of Rs. 253 under 'Advances for the purchase of other conveyances' in Central Revenues.

A sum of Rs. 607 was written off under 'Advances for the purchase of motor cars' in North-West Frontier Province due to the death of the borrower and in another case in Baluchistan a sum of Rs. 1,550 due from an earthquake sufferer on account of 'House building advance', was written off.

In one case of 'House building advance' in Coorg, the conditions of the grant of the loan were not fulfilled and the amount, together with interest, has since been refunded in full.

The credit balance of Rs. 15 in Bombay under 'Other advances', represents the special advance to an officer, recovered in excess, which has since been settled.

#### Loans to Government Servants—

Non-Civil Department Advances . . . . . Dr. Rs. 14,69,129

167. The following are the details:—

Non-Civil Departments.	House-building Advances.	Motor car Advances.	Advances for the purchase of other conveyances.	Passage Advances.	Total.
	Rs.	Rs.	Rs.	Rs.	Rs.
Posts and Telegraphs ..	2,40,559	46,532	3,283	3,898	2,94,272
Defence—					
Northern Command ..	63,385	1,05,716	740	..	1,69,841
Military Accounts and Pensions, Lahore ..	42,263	1,34,236	1,743	2,484	1,80,726
Southern Command ..	10,345	98,256	3,784	1,088	1,13,473
Eastern Command ..	11,005	1,07,834	2,921	..	1,21,760
Royal Air Force ..	3,415	17,572	13	..	21,000
Army Factory Accounts ..	8,635	3,978	..	..	12,613
Naval Accounts ..	1,098	1,236	..	..	2,334
Total—Defence ..	1,40,146	4,68,828	9,201	3,572	6,21,747
Railways—Revenue Account	3,57,824	1,46,920	683	47,683	5,53,110
GRAND TOTAL ..	7,38,529	6,62,280	13,167	55,153	14,69,129

168. In the case of the Posts and Telegraphs Department acceptance certificates are still awaited in eight cases for 'House building advances' and five and twentynine cases for Advances for the purchase of 'motor cars' and 'other conveyances' - respectively.

In the case of the Defence Department acceptance certificates are still awaited for 'Advances for the purchase of motor cars' in one case in Northern Command, fifteen in the books of the Controller of Military Accounts and Pensions, five in Southern Command and five in Royal Air Force; and for 'Advances for the purchase of other conveyances' in one case each in the books of the Controller of Military Accounts and Pensions and Southern Command.

In the case of the Railway Department acceptance certificates are yet awaited in thirty eight cases.

In the Posts and Telegraphs Department, Rs. 23 were written off in one case under 'Advances for the purchase of other conveyances' and Rs. 77 in one case under 'House building advances' due to the death of the borrowers. A sum of Rs. 456 was written off under 'Motor Car Advances' in two cases in the Defence Department and Rs. 21 in one case under 'Advances for the purchase of other conveyances' for the same reason.

## FINANCE ACCOUNTS. CENTRAL GOVERNMENT.

## SECTION S.—REMITTANCES

INDIA	Cr. Rs. 1,09,25,070
ENGLAND	Dr. £ 141,892

169. This head consists of:—

	India.		England.
	Cr. Rs.	Dr. Rs.	Dr. £
I. Within India—			
Money Orders .. .. .	93,84,321	..	..
Cash Remittances and Adjustments between officers rendering accounts to the same Accountant General or Comptroller .. .. .	..	8,58,699	..
Remittances by Bills .. .. .	9,30,418	..	..
Adjusting Account between Central and Provincial Governments .. .. .	..	3,45,132	..
Accounts between Departments .. .. .	18,14,162	..	..
II. Between England and India—			
Remittance Account between England and India .. .. .	..	..	..
Total .. .. .	1,21,28,901	12,03,831	141,892
Net .. .. .	Cr. Rs. 1,09,25,070	Dr. £141,892	
		Cr. Rs. 93,84,321	

## Money Orders

170. The balance under this head represents the difference between the receipts and payments in respect of Inland Money Order issues of the years 1937-38 and 1938-39. The accounting process is not, however, complete unless the ledger balance has been reconciled with the actual amount of unpaid money orders picked out from the lists of money orders issued. In practice, there are always some differences between the two sets of accounts due to errors in the various stages of work done in Post Offices and the Audit Offices. As these differences represent the extent to which accounting methods fall short of an absolute standard of efficiency, they are reported annually to the Auditor General of India to enable him to judge the efficiency of audit in this field. The amount of unexplained difference reported to the Auditor General at the end of 1938-39 was Rs. 19,969.

Cash Remittances and adjustments between officers rendering accounts  
to the same Accountant General or Comptroller .. .. Dr. Rs. 8,58,699

171. The following are the details :—

	Central Revenues.	Indian Stores Depart- ment.	Baluchistan.	Madras.	Bombay.	Bengal.	United Provinces.	Punjab.	Bihar.	Orissa.	Sind.	Coorg.	Total.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Civil—													
Salt Remittances ..	..	..	..	+49,867	..	..	..	..	..	..	..	..	+49,867
Forest Remittances ..	+4,727	..	—693	..	—1,08,526	..	..	..	..	..	..	+281	—1,04,211
Public Works Remittances ..	+2,81,168	..	+3,190	—14	+5,867	+28,776	—1,388	+5,121	..	—5	..	+1,385	+3,24,100
Transfers between Public Works Officers.	—4	..	..	..	..	..	..	..	..	..	..	..	—4
Mint Remittances ..	..	..	..	..	—5,43,856	—4,97,741	..	..	..	..	..	..	—10,11,597
Small Coin Depot Remittances	..	..	..	—30,619	—27,709	+4,950	..	..	..	..	..	..	—53,368
Miscellaneous Remittances ..	..	..	..	..	+46,843	..	..	..	..	..	..	..	+46,843
Baluchistan Suspense ..	..	..	—16,083	..	..	..	..	..	..	..	..	..	—16,083
Coorg Suspense ..	..	..	..	..	..	..	..	..	..	..	..	—5,977	—5,977
Total ..	+2,85,891	..	—13,586	+19,334	—6,27,471	—4,34,015	—1,388	+5,121	..	—5	..	—4,311	—7,70,430
Departmental—													
Transfers between Officers of Military Engineer Services, Posts and Telegraphs Remit- tances.	..	..	..	..	..	..	..	..	..	..	..	..	—409
GRAND TOTAL ..	..	..	..	..	..	..	..	..	..	..	..	..	—87,860
	..	..	..	..	..	..	..	..	..	..	..	..	—8,58,699

(Credits +, Debits —.)

172. This head comprises two different kinds of transactions, one being remittances in actual cash between treasuries and departments rendering accounts to the same Account Office. Each separate remittance of this kind is watched through a remittance register. The other class of transactions are purely book adjustments made within the accounts of the same Account Office, which are watched through separate registers maintained for the purpose.

173. Under *Public Works Remittances* the debit balance of Rs. 1,388 in the United Provinces is, as reported last year, the result of a cheque for Rs. 13 having been cashed for Rs. 1,401. As the culprit is yet absconding, the question of writing off the amount is under consideration.

174. The head *Baluchistan Suspense*, which appears on the books of Central Revenues and Baluchistan, is a running account of transactions originating in the accounts of Central Revenues on account of Baluchistan and in the accounts of Baluchistan on account of Central Revenues. The balance represents the balance of transactions between the accounts of Central Revenues and Baluchistan which could not be adjusted completely in the year under report.

The head *Coorg Suspense* represents similar transactions between Coorg and Madras in the books of the Accountant General, Madras.

175. The balance under *Posts and Telegraphs Remittances* is composed of—

					Rs.
(1) Transfers between Postal and Telegraph Officers within the jurisdiction of the same Audit Office	..	..	..	Dr.	48,927
(2) Transfers between Postal and Telegraph Officers within the jurisdiction of other Audit Offices	..	..	..	Dr.	38,933
					<hr/>
			Total	.. Dr.	87,860
					<hr/>

Remittances by Bills  
176. The details are:—

Cr. Rs. 9,30,418

(Credits +, Debits —)

	Central Revenues.	Madras.	Bombay.	Bengal.	United Provinces.	Punjab.	Bihar.	Central Provinces and Bomr.	Assam.	North- West Frontier Province.	Orissa.	Sind.	Total.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Supply Bills, Local ..	+1,433	..	..	..	..	+10,360	..	..	..	..	..	..	+11,793
Foreign Supply Bills ..	+9,660	+400	+32,800	+81,010	+4,310	+20,644	+10,000	..	+1,43,000	+3,910	+5,000	+50,635	+3,61,369
Remittance Transfer Receipts, Local ..	—181	+2,048	+57,718	+1,275	+41	+672	+304	+1,503	+99	+3,393	..	+33	+67,505
Foreign Remittance Transfer Receipts. ..	+26,791	+4,008	+47,588	+1,70,831	+23,571	+65,724	+54,748	+1,813	+2,118	+10,144	+1,068	+28,510	+4,36,914
Burma Remittance Transfer Receipts and Supply Bills...	+4,342	+5,563	+11,970	+23,784	..	+6,385	+40	+22	..	..	+600	+131	+52,837
Total ..	+42,045	+12,619	+1,50,076	+2,76,900	+27,922	+1,03,785	+65,092	+3,338	+1,45,217	+17,447	+6,668	+79,309	+9,30,418

FINANCE ACCOUNTS. CENTRAL GOVERNMENT.



177. The amounts received on issue of bills, etc., are credited to this head and the amounts paid upon them are debited to it. The head, therefore, ordinarily shows a credit balance equal to the amount of bills outstanding.

The debit balance under "Remittance Transfer Receipts—Local" in Central Revenues has since been rectified. In proving the balances with the amounts of outstanding bills minor discrepancies were noticed in some cases, which have all been settled with the exception of Rs. 261 in the Punjab and Rs. 99 in Bombay.

<b>Adjusting Account between Central and</b>				
<b>Provincial Governments .. ..</b>	<b>Dr.</b>	<b>Rs.</b>	<b>3,45,132</b>	

178. The transactions between the Central and the Provincial Governments are settled by the correction of their respective balances through the Reserve Bank of India. Until this correction is effected, the transactions are kept in the books of the originating Account Circle under the head *Adjusting Account between Central and Provincial Governments*. The above balance represents the outstanding amount for which monetary settlement could not be carried out in the Reserve Bank's accounts for the year 1938-39.

179. The details of the balance by circles of Account are given below :—

(Credits +, Debits —.)

	Central Revenues.	Indian Stores Department.	Madras.	Bombay.	Bengal.	United Provinces.	Punjab.	Bihar.	Central Provinces and Berar.	Assam.	North-West Frontier Province.	Sind.	Total.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Adjusting Account between Central Revenues and Madras ..	—8,249	..	—908	..	..	..	..	..	..	..	..	..	—9,167
Do. Bombay	—2,238	..	..	—7,595	..	..	..	..	..	..	..	..	—9,833
Do. Bengal ..	—568	..	..	..	—1,19,187	..	..	..	..	..	..	..	—1,19,755
Do. United Provinces.	—7,586	..	..	..	..	+10,326	..	..	..	..	..	..	+2,740
Do Punjab ..	—1,982	..	..	..	..	..	—1,17,918	..	..	..	..	..	—1,19,900
Do. Bihar ..	—4,579	..	..	..	..	..	..	—42,945	..	..	..	..	—47,524
Do. Central Provinces and Berar.	—371	..	..	..	..	..	..	..	+37,671	—4,717	..	..	+37,300
Do. Assam ..	+541	..	..	..	..	..	..	..	..	..	..	..	—4,176
Do. North-West Frontier Province.	+227	..	..	..	..	..	..	..	..	..	—75,551	..	—75,324
Do. Orissa ..	—232	..	..	..	..	..	..	..	..	..	..	..	—232
Do Sind ..	+93	..	..	..	..	..	..	..	..	..	..	+636	+729
Total ..	—24,944	..	—908	—7,595	—1,19,187	+10,326	—1,17,918	—42,945	+37,671	—4,717	—75,551	+636	—3,45,132

The balances have been adjusted in the accounts for 1939-40.

### Accounts between Departments .. .. Cr. Rs. 18,14,162

180. The balances recorded under this head differ in kind from those reviewed in the previous paragraphs, as they represent balances between two of the sets of accounts in respect of the amount by which one set of accounts could not take up the debits and credits passed on to it by the other. As balances, therefore, they do not exist elsewhere than upon the Central books, for each local Account Officer writes off each year the amounts which he passes on to another. The following are the separate ledger balances under this account:—

	Dr. Rs.	Cr. Rs.
Accounts between Civil and Civil .. .. .	..	3,15,607
Exchange Accounts between Defence Accounts Officers (including Navy) .. .. .	35	..
Exchange Accounts between Posts and Telegraphs and Defence Services (including Navy) .. .. .	..	73
Exchange Accounts between Civil and Posts and Telegraphs .. .. .	..	4,60,910
Exchange Accounts between Civil and Defence Services (including Navy) .. .. .	..	10,37,607
Total ..	35	18,14,197
Net ..	Cr.	Rs. 18,14,162

181. The net credit of Rs. 18,14,162 is composed of—

	Debits. Rs.	Credits. Rs.
Cheques and Remittance Transfer Receipts .. .. .	1,30,750	19,83,121
Miscellaneous Items .. .. .	42,292	4,083
Total ..	1,73,042	19,87,204
Net ..	Cr.	Rs. 18,14,162

182. The debits under *Cheques and Remittance Transfer Receipts* are on account of payments made on cheques during 1938-39 for which corresponding credits were not afforded till the following year, while the credits under the head represent the amount of cheques and transfer receipts issued in 1938-39 but not paid during the year. The outstandings under *Miscellaneous Items* have been mostly adjusted in the accounts for 1939-40 with the exception of a few disputed claims relating, mainly, to Central Revenues. The adjustment of these items is expected to be included in the accounts for 1939-40. The progress of adjustment has been generally satisfactory. The outstandings are subjected to a careful scrutiny in the office of the Auditor General of India and steps are taken to adjust them as expeditiously as possible.

With effect from the 1st April, 1939 all transactions of the Railway Department with the other Departments of the Central Government are adjusted with the Reserve Bank against the balances of the Railway Fund which has been created *pro forma*. To avoid outstandings under the Exchange Accounts prior to the introduction of the revised procedure, the transactions included in those accounts upto and including the accounts for 1938-39 but without response at the end of the year 1938-39 have been written back in the accounts of that year to a Suspense head for clearance in the accounts for 1939-40 under the revised procedure.

Remittance Account between England and India—				£.
Secretary of State	..	..	Dr.	141,624
High Commissioner for India	..	..	Dr.	268
Total				141,892

183. It comprises transactions, mainly of a miscellaneous character, passed on from England to India or *vice versa*, for adjustment in the accounts of the other and represents the net balance in respect of the amounts by which each set of accounts could not take up the debits and credits passed on by the other. The outstanding amount is normally an asset or liability to Government.

SECTION V.—CASH BALANCE	INDIA	Rs. 12,37,14,948
	ENGLAND	£574,415

184. The Cash Balances in India were distributed as follows :—

Province.					Cash in District Treasuries.	At credit of Government with the Reserve Bank of India and its Branches.
					Rs.	Rs.
India General	..	..	..	..	9,72,206	12,03,31,808
Baluchistan	..	..	..	..	1,76,548	..
Bombay	..	..	..	..	6,58,842	..
Bihar	..	..	..	..	7,47,400	..
Central Provinces and Berar	..	..	..	..	6,33,000	..
Assam	..	..	..	..	1,37,486	..
North-West Frontier Province	..	..	..	..	67,200	..
Orissa	..	..	..	..	—1,42,300	..
Coorg	..	..	..	..	1,32,758	..
					33,83,140	12,03,31,808
Total					Rs. 12,37,14,948	

The *minus* balance shown against Orissa is due to remittances being in transit at the end of the year.

185. The Treasury Balances have all been agreed with the Cash Balance Reports for March, 1939 except in the case of Iran, after allowance has been made for remittances in transit at the end of the month. In the case of Iran no Cash Balance Report is received. The closing balance of the Central Government with the Reserve Bank of India stood at Rs. 12,03,31,808 against Rs. 12,03,31,607 reported by the Bank. The difference of Rs. 201 has been settled in the accounts for 1939-40.

186. The cash balances in England were distributed as follows :—

Secretary of State—	£
Cash in hand or at the Bank of England .. .. .	490,442
High Commissioner for India—	
Cash at the Reserve Bank of India and in the hands of the Cashier ..	83,973
Total ..	574,415

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**B.—DEBT, DEPOSIT AND REMITTANCE ACCOUNTS.**

**PART II—ACCOUNTS.**

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## No. 1.—SUMMARY OF RECEIPTS AND DISBURSEMENTS BY MAJOR HEADS.

Heads of Receipts.	Actuals for 1938-39.	Heads of Disbursements.	Actuals for 1938-39.
1	2	3	4
	Rs.		Rs.
<b>N.—Public Debt incurred—</b>		<b>N.—Public Debt discharged—</b>	
<b>A.—Debt raised in India—</b>		<b>A.—Debt raised in India—</b>	
Permanent Debt .. (a) 26,31,22,000		Permanent Debt .. .. (a) 26,60,97,457	
Floating Debt .. .. 2,30,10,75,000		Floating Debt .. .. 2,21,81,25,000	
<b>B.—Debt raised in England—</b>		<b>B.—Debt raised in England—</b>	
Permanent Debt .. ..		Permanent Debt .. .. 2,94,44,736	
Total .. .. 2,56,41,97,000		Total .. .. 2,51,36,67,193	
<b>O.—Unfunded Debt—</b>		<b>O.—Unfunded Debt—</b>	
Special Loans .. ..		Special Loans .. .. 20,287	
Deposits of Service Funds .. 74,05,016		Deposits of Service Funds .. 8,52,70,393	
Post Office Savings Bank Deposits 46,02,97,361		Post Office Savings Bank Deposits .. .. 41,64,92,685	
Post Office Cash Certificates .. 14,71,03,307		Post Office Cash Certificates .. 15,34,67,064	
State Provident Funds .. 8,40,71,379		State Provident Funds .. 5,62,12,152	
Other Accounts .. .. 1,21,73,489		Other Accounts .. .. 67,60,884	
Total .. .. 71,10,50,552		Total .. .. 71,82,23,465	
<b>P.—Deposits and Advances—</b>		<b>P.—Deposits and Advances—</b>	
<b>Part I.—Deposits bearing Interest—</b>		<b>Part I.—Deposits bearing Interest—</b>	
<b>(A) Reserve Funds—</b>		<b>(A) Reserve Funds—</b>	
Depreciation Reserve Fund—		Depreciation Reserve Fund—	
Railways .. .. 12,56,11,417		Railways .. .. 7,09,71,993	
Renewals Reserve Fund—		Renewals Reserve Fund—	
Posts and Telegraphs .. 23,13,000		Posts and Telegraphs .. 16,36,016	
Renewals Reserve Fund—		Renewals Reserve Fund—	
Northern India Salt Revenue .. .. 1,30,000		Northern India Salt Revenue 1,04,840	
Depreciation Reserve Fund—		Depreciation Reserve Fund—	
Lighthouses and Lightships .. .. 1,22,345		Lighthouses and Lightships .. ..	
Additions and Replacements Reserve Fund—		Additions and Replacements Reserve Fund—	
Light houses and Lightships .. .. —6,75,955		Light houses and Lightships .. ..	
General Reserve Fund—		General Reserve Fund—	
Lighthouses and Lightships .. .. 10,31,066		Lighthouses and Lightships .. 9,139	

(a) Excludes figures on account of conversion of non-terminable loans

M



# FINANCE ACCOUNTS. CENTRAL GOVERNMENT.

## No. 1.—SUMMARY OF RECEIPTS AND DISBURSEMENTS BY MAJOR HEADS—*contd.*

1	2	3	4
Hheads of Receipts.	Actuals for 1938-39.	Hheads of Disbursements.	Actuals for 1938-39.
			Rs.
<b>P.—Deposits and Advances—<i>contd.</i></b>			
<b>Part II.—Deposits not bearing Interest—</b>			
(A) Sinking Funds—		(A) Sinking Funds—	
Appropriation for Reduction or Avoidance of Debt—		Appropriation for Reduction or Avoidance of Debt—	
Sinking Funds ..	1,36,71,000	Sinking Funds ..	..
Other Appropriations ..	1,63,29,000	Other Appropriations ..	..
(B) Reserve Funds—		(B) Reserve Funds—	
Silver Redemption Reserve—		Silver Redemption Reserve—	25,91,701
Silver Redemption Reserve	25,91,701	Silver Redemption Reserve	1,31,54,589
Silver Redemption Reserve Investment Account ..	1,31,51,153	Investment Account ..	24,32,611
Defence Reserve Funds ..	49,09,591	Defence Reserve Funds ..	..
Equalisation Funds—		Equalisation Funds—	49,09,591
Defence Services ..	43,17,793	Defence Services ..	1,06,35,664
Central Road Fund ..	1,56,01,013	Central Road Fund ..	..
Sugar Excise Fund ..	10,57,036	Sugar Excise Fund ..	26,997
General Police Fund ..	31,157	General Police Fund ..	..
Fund for Economic Development and Improvement of Rural Areas ..	..	Fund for Economic Development and Improvement of Rural Areas ..	19,15,234
Fund for Development of Civil Aviation ..	..	Fund for Development of Civil Aviation ..	19,59,785
Fund for Special Frontier Expenditure including Development ..	..	Fund for Special Frontier Expenditure including Development ..	12,04,347
Fund for Development of Broadcasting ..	6,86,250	Fund for Development of Broadcasting ..	8,22,977
Renewals Reserve Fund—		Renewals Reserve Fund—	
Army Ordnance and Clothing Factories ..	..	Army / Ordnance and Clothing Factories ..	3,70,972
Renewals Reserve Fund—		Renewals Reserve Fund—	2,28,663
Dairy Farms ..	2,39,059	Dairy Farms ..	27,157
Renewals Reserve Fund—		Renewals Reserve Fund—	
Grass Farms ..	45,128	Grass Farms ..	..
Renewals Reserve Fund—		Renewals Reserve Fund—	
Medical Store Depots and Workshops ..	1,942	Medical Store Depots and Workshops ..	13
Depreciation Reserve Fund—		Depreciation Reserve Fund—	
Government Presses ..	691	Government Presses ..	1,07,779
Telephone Development Fund ..	2,50,00,000	Telephone Development Fund ..	22,85,371
Revenue Reserve Fund ..	..	Revenue Reserve Fund ..	1,05,79,712

No. 1.—SUMMARY OF RECEIPTS AND DISBURSEMENTS BY MAJOR HEADS—*concl.*

Heads of Receipts.	Actuals for 1938-39.	Heads of Disbursements.	Actuals for 1938-39.
1	2	3	4
	Rs.		Rs.
<b>P.—Deposits and Advances—<i>concl.</i></b>		<b>P.—Deposits and Advances—<i>concl.</i></b>	
Part II.—Deposits not bearing Interest— <i>concl.</i>		Part II.—Deposits not bearing Interest— <i>concl.</i>	
(C) Other Deposit Accounts—		(C) Other Deposit Accounts—	
Deposits of Local Funds ..	2,13,11,665	Deposits of Local Funds ..	2,28,45,014
Deposits of Branch Line Companies ..	2,12,983	Deposits of Branch Line Companies ..	1,88,767
Departmental and Judicial Deposits—		Departmental and Judicial Deposits—	
Civil Deposits ..	35,17,00,969	Civil Deposits ..	35,03,13,207
Other Deposits ..	19,73,14,499	Other Deposits ..	19,53,20,044
Other Accounts ..	19,63,942	Other Accounts ..	15,67,914
Balance of Coorg ..	50,550		
Part III.—Advances not bearing Interest—		Part III.—Advances not bearing Interest—	
Advances Repayable ..	2,10,42,699	Advances Repayable ..	2,16,33,384
Permanent Advances ..	12,454	Permanent Advances ..	10,191
Accounts with Foreign Governments and Indian States ..	3,53,43,204	Accounts with Foreign Governments and Indian States ..	3,81,44,214
Accounts with the Government of Burma ..	21,83,855	Accounts with the Government of Burma ..	
Accounts with the Burma Railway Board ..		Accounts with the Burma Railway Board ..	13,353
Accounts with the Reserve Bank ..	1,33,932	Accounts with the Reserve Bank ..	4,43,570
Accounts with His Majesty's Imperial Government ..	56,393	Accounts with His Majesty's Imperial Government ..	76,513
Coinage Account ..	43,62,612	Coinage Account ..	53,63,790
Part IV.—Suspense—		Part IV.—Suspense—	
Suspense Accounts ..	2,20,65,368	Suspense Accounts ..	1,95,73,444
Purchases and Sales of Silver ..	78,47,877	Purchases and Sales of Silver ..	5,06,18,346
Cheques and Bills ..	2,66,393	Cheques and Bills ..	3,20,065
Departmental and Similar Accounts ..	5,19,468	Departmental and Similar Accounts ..	7,34,114
Part V.—Miscellaneous—		Part V.—Miscellaneous—	
Miscellaneous ..	1,70,78,599	Miscellaneous ..	1,57,06,940
Total ..	90,99,37,855	Total ..	84,91,70,057
<b>Q.—Loans and Advances by the Central Government—</b>		<b>Q.—Loans and Advances by the Central Government—</b>	
Advances to Provincial Governments ..	1,42,43,232		
Advances to Crown Representative for Loans to Indian States ..	900	Advances to Crown Representative for Loans to Indian States ..	62,000
Loans to Government of Coorg ..	1,04,686	Loans to Indian States ..	
Loans to Indian States ..	1,36,37,523	Loans to Local Funds ..	78,13,887
Loans to Local Funds, etc. ..	30,23,415	Loans to Government Servants ..	92,875
Loans to Government Servants ..	22,68,688		
Total ..	3,32,78,444	Total ..	79,68,762

No. 1.—SUMMARY OF RECEIPTS AND DISBURSEMENTS BY MAJOR HEADS—*contd.*

Heads of Receipts.	Actuals for 1938-39.	Heads of Disbursements.	Actuals for 1938-39.
1	2	3	4
	Rs.		Rs.
<b>S.—Remittances—</b>		<b>S.—Remittances—</b>	
<b>I.—Remittances within India—</b>		<b>I.—Remittances within India—</b>	
Money Orders .. .. .	81,12,69,092	Money orders .. .. .	81,17,69,941
Cash Remittances and Adjustments between officers rendering accounts to the same Accountant General or Comptroller .. .. .	..	Cash Remittances and Adjustments between officers rendering accounts to the same Accountant General or Comptroller .. .. .	28,81,744
Remittances by Bills .. .. .	..	Remittances by Bills .. .. .	4,71,064
Remittances adjusted on the Central books .. .. .	..	Remittances adjusted on the Central books .. .. .	—210
Adjusting Account between Central and Provincial Governments .. .. .	..	Adjusting Account between Central and Provincial Governments .. .. .	4,06,609
Accounts between Civil and Civil .. .. .	77,083	Accounts between Civil and Civil .. .. .	..
Exchange Accounts between Military Accounts Officers .. .. .	100	Exchange Accounts between Military Accounts Officers .. .. .	..
Exchange Accounts between Posts and Telegraphs and Railways .. .. .	7,894	Exchange Accounts between Posts and Telegraphs and Railways .. .. .	..
Exchange Accounts between Posts and Telegraphs and Defence Services .. .. .	—26	Exchange Accounts between Posts and Telegraphs and Defence Services .. .. .	..
Exchange Accounts between Civil and Posts and Telegraphs .. .. .	3,76,45,830	Exchange Accounts between Civil and Posts and Telegraphs .. .. .	3,77,37,066
Exchange Accounts between Civil and Railways .. .. .	16,04,10,408	Exchange Accounts between Civil and Railways .. .. .	16,96,38,657
Exchange Accounts between Civil and Defence Services .. .. .	33,56,17,461	Exchange Accounts between Civil and Defence Services .. .. .	33,58,87,648
<b>II.—Remittances between England and India—</b>		<b>II.—Remittances between England and India—</b>	
Remittance Account between England and India—		Remittance Account between England and India—	
Accounts with the Secretary of State .. .. .	40,41,92,742	Accounts with the Secretary of State .. .. .	40,44,78,879
Accounts with the High Commissioner .. .. .	7,72,81,089	Accounts with the High Commissioner .. .. .	7,72,83,343
<b>Total</b>	<b>1,82,65,01,673</b>	<b>Total</b>	<b>1,84,05,54,741</b>

No. 1.—SUMMARY OF RECEIPTS AND DISBURSEMENTS BY MAJOR HEADS—*concl'd.*

Heads of Receipts.	Actuals for 1938-39.	Heads of Disbursements.	Actuals for 1938-39.
1	2	3	4
	Rs.		Rs.
<b>T.—Transfers of cash between Eng- land and India .. ..</b>	<b>46,50,66,667</b>	<b>T.—Transfers of cash between England and India .. ..</b>	<b>46,50,66,667</b>
Total Receipts under Debt, Deposit, etc., heads .. ..	6,51,00,32,191	Total Disbursements under Debt, Deposit, etc., heads .. ..	6,39,46,50,885
Total Revenue as per Account No. 2 of Part A .. ..	1,21,06,67,801	Total Expenditure as per Ac- count No. 2 of Part A .. ..	1,30,77,93,958
Total Revenue and Receipts	7,72,06,99,992	Total Disbursements .. ..	7,70,24,44,843
<b>V.—Opening Balance—</b>		<b>V.—Closing Balance—</b>	
In India—		In India—	
Cash in District Treasuries .. ..	19,72,938	Cash in District Treasuries .. ..	33,83,140
Cash with Reserve Bank of India	10,15,48,407	Cash with Reserve Bank of India .. ..	12,03,31,808
In England—		In England—	
Secretary of State .. ..	76,63,802	Secretary of State .. ..	65,39,228
High Commissioner for India	19,33,520	High Commissioner for India	11,19,640
Total .. ..	11,31,18,667	Total .. ..	13,13,73,816
<b>GRAND TOTAL .. ..</b>	<b>7,83,38,18,659</b>	<b>GRAND TOTAL .. ..</b>	<b>7,83,38,18,659</b>

## FINANCE ACCOUNTS. CENTRAL GOVERNMENT.

## No. 2.—STATEMENT SHOWING CAPITAL AND OTHER EXPENDITURE (OUTSIDE THE REVENUE ACCOUNT) TO END OF THE YEAR AND THE PRINCIPAL SOURCES FROM WHICH FUNDS WERE PROVIDED FOR THAT EXPENDITURE.

	On 31st March 1938. Rs.	On 31st March 1939. Rs.	Increase (+) Decrease (—) in the year ending 31st March 1939. Rs.
<b>Capital and Other Expenditure—</b>			
<b>1. Capital Expenditure—</b>			
Commercial Departments—			
Railways .. .. .	7,53,80,07,013	7,55,25,59,898	+1,45,52,855
Posts and Telegraphs .. .. .	17,07,30,303	19,71,43,719	+2,64,13,416
Irrigation .. .. .	1,77,83,378	1,71,91,615	—5,88,963
Other Commercial Departments and undertakings .. .. .	5,89,66,018	5,98,16,323	+8,50,305
<b>Total Commercial Departments</b> .. .. .	<b>7,78,51,86,912</b>	<b>7,82,67,14,555</b>	<b>+4,12,27,613</b>
Other Departments—			
New Capital at Delhi .. .. .	15,59,64,370	15,63,30,436	+8,66,066
Other Accounts .. .. .	14,46,27,397	14,56,98,752	+10,71,355
<b>Total Other Departments</b> .. .. .	<b>30,05,91,767</b>	<b>30,23,29,188</b>	<b>+19,37,421</b>
<b>Total Capital Expenditure</b> .. .. .	<b>8,08,60,78,709</b>	<b>8,12,92,13,743</b>	<b>+4,31,65,034</b>
<b>2. India's Financial Contribution to the War</b> .. .. .	<b>1,50,00,00,000</b>	<b>1,50,00,00,000</b>	<b>Nil.</b>
<b>3. Loans and Advances—</b>			
Advances to Provincial Governments .. .. .	1,24,66,48,518	1,23,24,05,285	—1,42,43,233
Advances to Coorg .. .. .	5,09,244	4,04,558	—1,04,686
Advances to Crown Representative for Loans to Indian States, etc. .. .. .	..	61,100	+61,100
Advances to Indian States, Local Bodies, etc. .. .. .	21,80,70,085	20,70,47,221	—1,10,22,864
<b>Total Loans and Advances</b> .. .. .	<b>1,46,52,27,847</b>	<b>1,43,99,18,164</b>	<b>—2,53,09,683</b>
<b>Total Capital and Other Expendi- ture</b> .. .. .	<b>11,05,13,06,556</b>	<b>11,06,91,61,907</b>	<b>+1,78,55,351</b>
<b>4. Deduct—Contribution from Reve- nue for Capital Expenditure</b> .. .. .	<b>—18,58,26,394</b>	<b>—18,81,34,538</b>	<b>+23,08,144</b>
<b>NET CAPITAL AND OTHER EXPENDITURE OUTSIDE THE REVENUE ACCOUNT</b> .. .. .	<b>10,86,54,80,162</b>	<b>10,88,10,27,369</b>	<b>+1,55,47,207</b>

No. 2.—STATEMENT SHOWING CAPITAL AND OTHER EXPENDITURE (OUTSIDE THE REVENUE ACCOUNT) TO END OF THE YEAR AND THE PRINCIPAL SOURCES FROM WHICH FUNDS WERE PROVIDED FOR THAT EXPENDITURE—*concl'd.*

	On 31st March 1938.	On 31st March 1939.	Increase (+) Decrease (—) in the year ending 31st March 1939.
	Rs.	Rs.	Rs.
<b>Principal Sources of Funds—</b>			
1. Capital contributed by Railway Companies and Indian States .. ..	34,53,99,207	30,01,25,384	—4,52,73,823
2. Debt—			
Permanent Debt—			
In India—Nominal Value ..	4,38,82,26,589	4,38,52,51,132	—29,75,457
Less—Unredeemed discount ..	—8,92,22,148	—9,22,48,688	—30,26,540
In England—Nominal value (sterling converted into Rs. at £ 1= Rs. 13 $\frac{1}{2}$ ) .. ..	4,67,89,31,528	4,64,94,86,792	—2,94,44,736
Less—Unredeemed discount ..	—7,16,90,675	—6,75,15,306	+41,75,369
Less—Difference between 7 per cent. stock exchanged for 3 per cent. in 1921-24 and 3 per cent. stock issued in exchange .. ..	—8,36,52,413	—8,36,52,413	<i>Nil.</i>
Floating Debt .. ..	38,00,50,000	46,30,00,000	+8,29,50,000
Unfunded Debt—			
Post Office Savings Bank Deposits..	77,49,75,786	81,87,80,462	+4,38,04,676
Post Office Cash Certificates ..	60,20,81,745	59,57,17,988	—63,63,757
State Provident Funds, etc. ..	92,31,84,122	87,85,68,630	—4,46,15,492
<b>Total Debt ..</b>	<b>11,50,28,84,534</b>	<b>11,54,73,88,597</b>	<b>+4,45,04,063</b>
3. Sinking Funds and Reserve Funds ..	54,48,07,016	61,86,25,896	+7,38,18,880
4. Net balance under Deposits, Advances, etc., other than those shown separately .. ..	—39,16,71,759	—44,27,86,800	—5,11,15,041
5. Remittances .. ..	2,30,86,261	90,33,177	—1,40,53,084
<b>Total Debt and other obligations ..</b>	<b>12,02,45,05,259</b>	<b>12,03,23,86,254</b>	<b>+78,80,995</b>
Deduct—Cash Balance .. ..	—11,31,18,667	—13,13,73,816	—1,82,55,149
Deduct—Investments .. ..	—13,05,66,470	—12,32,41,658	+73,24,812
<b>Net provision of Funds ..</b>	<b>11,78,08,20,122</b>	<b>11,77,77,70,780</b>	<b>—30,49,342</b>

No. 3.—STATEMENT OF DEBT AND OTHER INTEREST BEARING OBLIGATIONS SHOWING THE ADDITIONS TO, AND DISCHARGES OF DEBT, ETC., DURING THE YEAR, AND THE AMOUNT OF DEBT, ETC., AT THE COMMENCEMENT AND CLOSE OF THE YEAR.

Description of Debt.	Amount on 1st April 1938. Rs.	Additions during the year. Rs.	Discharges during the year. Rs.	Amount on 31st March 1939. Rs.
<b>I.—Public Debt—</b>				
<b>A.—Debt raised in India—</b>				
<b>(a) Permanent Debt—</b>				
<b>(i) Loans bearing interest—</b>				
5 per cent. Loan, 1910-43 ..	25,18,47,800	..	..	25,18,47,800
5 per cent. Loan, 1945-55 ..	56,74,91,200	..	..	56,74,91,200
5 per cent. Loan, 1939-41 ..	27,78,12,400	..	7,71,03,300	20,07,03,100
4½ per cent. Loan for Indoro State Railway ..	70,00,000	..	..	70,00,000
4½ per cent. Loan, 1955-60 ..	9,05,63,700	..	..	9,05,63,700
4 per cent. Loan, 1960-70 ..	63,30,26,300	..	..	63,30,26,300
4 per cent. Loan, from Maharaja Scindia for State Railway ..	1,59,00,000	..	..	1,59,00,000
4 per cent. Bonds, 1913 ..	14,97,17,700	..	..	14,97,17,700
3½ per cent. Loan, 1917-50 ..	55,91,36,900	..	..	55,91,36,900
3½ per cent. Loan, 1812-43 ..	21,51,03,550	(a) 16,50,900	(a) 23,31,200	21,47,29,250
3½ per cent. Loan, 1851-55 ..	29,85,81,630	(a) 2,86,600	(a) 17,73,657	29,70,94,582
3½ per cent. Loan, 1865 ..	38,41,83,000	(a) 35,62,700	(a) 12,89,500	38,67,56,200
3½ per cent. Loan, 1879 ..	2,71,35,100	(a) 4,68,500	(a) 3,12,200	2,72,91,400
3½ per cent. Loan, 1900-01 ..	36,46,05,100	(a) 19,37,100	(a) 22,06,000	36,43,35,600
3 per cent. Loan, 1896-97 ..	3,23,51,200	..	(a) 700	3,23,53,500
3 per cent. Loan, 1951-54 ..	15,12,85,300	..	..	15,12,85,300
3 per cent. Loan, 1963-65 ..	..	26,31,22,000	..	26,31,22,000
3 per cent. Bonds, 1911 ..	10,67,31,700	..	..	10,67,31,700
2½ per cent. Loan, 1948-52 ..	12,01,28,000	..	..	12,01,28,000
<b>(ii) Loans not bearing Interest—</b>				
6½ per cent. Treasury Bonds, 1935 ..	8,51,300	..	2,06,300	6,45,000
6 per cent. Bonds, 1932 ..	1,19,000	..	3,300	1,15,700
6 per cent. Bonds, 1931 ..	27,200	..	400	26,800
6 per cent. Bonds, 1930 ..	3,75,100	..	4,700	3,70,400
6 per cent. Bonds, 1927 ..	1,55,000	..	11,800	1,43,200
6 per cent. Bonds, 1926 ..	92,600	..	100	92,500
6 per cent. Bonds, 1933-36	3,30,800	..	1,47,600	1,83,200
5½ per cent. War Bonds, 1928	1,35,200	..	5,550	1,29,650
5½ per cent. Bonds, 1925 ..	16,775	..	800	15,975

(a) Includes additions and discharges due to conversion of non-terminable loans, commutation of Amanati stock certificates and cancellation of unclaimed securities.

No. 3.—STATEMENT OF DEBT AND OTHER INTEREST BEARING OBLIGATIONS SHOWING THE ADDITIONS TO, AND DISCHARGES OF DEBT, ETC., DURING THE YEAR, AND THE AMOUNT OF DEBT, ETC., AT THE COMMENCEMENT AND CLOSE OF THE YEAR—*contd.*

Description of Debt.	Amount on 1st April 1938. Rs.	Additions during the year. Rs.	Discharges during the year. Rs.	Amount on 31st March 1939. Rs.
<b>I.—Public Debt—<i>contd.</i></b>				
<b>A.—Debt raised in India—<i>contd.</i></b>				
<b>(a) Permanent Debt—<i>contd.</i></b>				
<b>(ii) Loans not bearing Interest—<i>contd.</i></b>				
5½ per cent. War Bonds, 1920	2,86,225	..	32,950	2,53,275
5½ per cent. War Bonds, 1921	2,52,800	..	4,950	2,47,850
5½ per cent. War Bonds, 1922	1,78,800	..	1,400	1,77,400
5½ per cent. War Bonds, 1923	47,725	..	950	46,775
5 per cent. Bonds, 1933 ..	1,97,900	..	4,500	1,93,400
5 per cent. Bonds, 1935 ..	1,75,000	..	9,400	1,65,600
5 per cent. War Loan, 1929-47 .. ..	4,22,675	..	43,300	3,79,375
4½ per cent. Bonds, 1934 ..	2,10,300	..	300	2,10,000
4 per cent. Terminable Loan of 1915-16 .. ..	24,800	..	6,600	18,200
4 per cent. conversion Loan of 1916-17 .. ..	58,000	..	8,800	49,200
4 per cent. Loan, 1934-37 ..	2,63,900	..	1,600	2,62,300
5½ per cent. Loan, 1938-40 ..	19,13,89,900	..	18,84,87,800	29,02,100
<b>(b) Floating Debt—</b>				
Treasury Bills .. ..	38,00,50,000	1,97,60,75,000	1,89,31,25,000	46,30,00,000
Other Floating Loans .. ..	..	32,50,00,000	32,50,00,000	..
<b>B.—Debt raised in England—</b>				
<b>Permanent Debt—</b>				
<b>(i) Loans bearing Interest—</b>				
India 5 per cent. Stock, 1942-47 .. ..	11,83,94,847	..	..	11,83,94,847
India 4½ per cent. Stock, 1950-55 .. ..	52,35,86,955	..	23,68,229	52,12,18,726
India 4½ per cent. Stock, 1958-68 .. ..	23,33,33,333	..	..	23,33,33,333
India 4 per cent. Stock, 1948-53 .. ..	15,14,00,000	..	..	15,14,00,000
India 3½ per cent. Stock, 1931	1,17,42,38,459	..	..	1,17,42,38,459
India 3½ per cent. Stock, 1954-59 .. ..	13,33,33,333	..	..	13,33,33,333
India 3 per cent. Stock, 1948	1,02,37,89,137	..	..	1,02,37,89,137
India 3 per cent. Stock, 1949-52 .. ..	12,66,66,666	..	..	12,66,66,666
India 2½ per cent. Stock, 1926	15,38,66,485	..	..	15,38,66,485
Burma Railway 3 per cent. Debenture Stock ..	1,66,66,667	..	..	1,66,66,667



No. 3.—STATEMENT OF DEBT AND OTHER INTEREST BEARING OBLIGATIONS SHOWING THE ADDITIONS TO, AND DISCHARGES OF DEBT, ETC., DURING THE YEAR, AND THE AMOUNT OF DEBT, ETC., AT THE COMMENCEMENT AND CLOSE OF THE YEAR—*contd.*

Description of Debt.	Amount on 1st April 1938. Rs.	Additions during the year. Rs.	Discharges during the year. Rs.	Amount on 31st March 1939. Rs.
—Public Debt— <i>concl'd.</i>				
B.—Debt raised in England— <i>concl'd.</i>				
Permanent Debt— <i>concl'd.</i>				
(i) Loans bearing Interest— <i>concl'd.</i>				
East India Railway 4½ per cent. Irredeemable Debenture Stock ..	1,91,42,000	..	..	1,91,42,000
East India Railway 3 per cent. New Debenture Stock ..	10,66,66,667	..	..	10,66,66,667
East India Railway 3½ per cent. Debenture Stock ..	9,33,33,333	..	..	9,33,33,333
Eastern Bengal Railway 4 per cent. Irredeemable Debenture Stock ..	46,48,880	..	..	46,48,880
Great Indian Peninsula Railway 4 per cent. Irredeemable Debenture Stock ..	3,60,19,333	..	..	3,60,19,333
Great Indian Peninsula Railway 3½ per cent. Debenture Stock ..	4,66,66,667	..	..	4,66,66,667
South Indian Railway 4½ per cent. Perpetual Debenture Stock ..	56,66,667	..	..	56,66,667
(ii) Capital portion of Annuities created in purchase of Railways—				
East India Railway Annuity terminating 14th February 1953 ..	17,05,11,224	..	80,24,805	16,24,86,419
Eastern Bengal Railway Annuity terminating 30th July 1957 ..	2,14,73,363	..	7,38,315	2,07,35,048
Great Indian Peninsula Railway Annuity terminating 17th August 1948 ..	15,41,95,163	..	1,26,08,183	14,15,86,980
Madras Railway Annuity terminating 1st April 1956 ..	8,80,41,280	..	34,49,327	8,45,91,953
Scinde Punjab and Delhi Railway Annuity terminating 1st January 1959 ..	7,10,31,984	..	22,55,877	6,87,76,107
(iii) Discharge of Liability in respect of British War Loan (1929-47) ..				
	20,62,25,704	..	..	20,62,25,704
(iv) Loans not bearing Interest—				
India 5½ per cent. Stock, 1932	23,999	..	..	23,999
India 5½ per cent. Stock, 1936	1,382	..	..	1,382
India 6 per cent. Bonds, 1932	6,000	..	..	6,000
India 6 per cent. Bonds, 1933	1,333	..	..	1,333
India 6 per cent. Bonds, 1935	667	..	..	667
Total Public Debt	9,44,72,08,117	2,57,21,08,800	2,52,15,78,993	9,49,77,37,924

**No. 3.—STATEMENT OF DEBT AND OTHER INTEREST BEARING OBLIGATIONS SHOWING THE ADDITIONS TO, AND DISCHARGES OF DEBT, ETC., DURING THE YEAR, AND THE AMOUNT OF DEBT, ETC., AT THE COMMENCEMENT AND CLOSE OF THE YEAR—*contd.***

Description of Debt.	Amount on 1st April 1938. Rs.	Additions during the year. Rs.	Discharges during the year. Rs.	Amount on 31st March, 1939. Rs.
<b>II.—Unfunded Debt—</b>				
Special Loans .. ..	1,45,62,335	..	20,287	1,45,42,048
Treasury Notes .. ..	71,619	..	..	71,619
<b>Deposits of Service Funds—</b>				
Indian Civil Service Family Pension Funds .. ..	4,23,12,045	19,57,443	3,06,04,705	1,36,64,783
Superior Services (India) Family Pension Fund .. ..	62,93,760	6,05,875	46,28,544	22,71,091
Indian Military Service Family Pension Fund .. .. (a)	6,27,91,840	28,60,703	4,19,96,702	2,36,55,841
Indian Military Widows' and Orphans' Fund .. ..	78,13,872	13,02,887	69,30,606	21,86,153
Madras Military Assistant Surgeons' Fund .. ..	(a) 4,27,612	17,448	18,187	4,26,873
Bengal Uncovenanted Service Family Pension Fund .. ..	53,14,988	3,50,554	7,15,500	49,50,042
Bengal and Madras Service Family Pension Fund .. ..	16,77,005	75,986	62,449	16,90,542
Bombay Family Pension Fund of Government Servants .. ..	32,87,011	2,34,120	3,13,700	32,07,431
Post Office Savings Bank Deposits .. ..	77,49,75,786	46,02,97,361	41,64,92,685	81,87,80,462
Post Office cash certificates .. ..	60,20,81,745	14,71,03,307	15,34,67,064	59,57,17,988
<b>State Provident Funds—</b>				
State Railway Provident Institution .. ..	35,33,92,130	3,75,58,306	2,52,07,817	38,57,42,619
Companies' Railways Provident Fund .. ..	24,95,96,386	2,75,11,255	2,04,53,891	25,66,53,750
General Provident Fund .. (b)	7,74,59,839	1,53,00,442	93,68,931	8,33,91,350
Indian Civil Service Provident Fund .. ..	12,27,364	2,81,226	1,26,867	13,81,723
Indian Civil Service (Non-European Members) Provident Fund .. ..	33,741	4,928	2,325	36,344
Defence Services Officers' Provident Fund .. ..	19,55,547	8,46,832	2,29,886	25,72,493
Indian Ordnance Department Provident Fund .. ..	55,38,269	7,67,802	1,96,720	61,09,351

(a) Differs from last year's balance by reason of corrections since made.

(b) Differs from last year's closing balance by Rs. 1,657 representing the General Provident Fund balance on 31st March 1937 of a Government Servant transferred permanently to Aden, written off to Government account in the Posts and Telegraphs books without financial adjustments.

No. 3.—STATEMENT OF DEBT AND OTHER INTEREST BEARING OBLIGATIONS SHOWING THE ADDITIONS TO, AND DISCHARGES OF DEBT ETC., DURING THE YEAR, AND THE AMOUNT OF DEBT, ETC., AT THE COMMENCEMENT AND CLOSE OF THE YEAR—*concl'd.*

Description of Debt.	Amount on 1st April 1938. Rs.	Additions during the year. Rs.	Discharges during the year. Rs.	Amount on 31st March 1939. Rs.
<b>II.—Unfunded Debt—<i>concl'd.</i></b>				
State Provident Funds— <i>concl'd.</i>				
Military Engineering Service Provident Fund .. ..	26,998	4,140	..	31,138
Contributory Provident Fund (a) .. ..	43,85,094	8,16,664	4,59,298	47,42,460
Other Miscellaneous Provident Funds .. ..	31,67,252	9,79,784	1,66,417	39,80,619
Other Accounts—				
General Family Pension Fund ..	12,340	15,125	12,014	15,451
Hindu Family Annuity Fund ..	40,149	2,96,237	2,35,564	1,00,822
Bombay Family Pension Fund of Government Servants, Life Assurance Branch ..	30,375	44,140	13,250	61,265
Bengal Christian Family Pension Fund .. ..	7,177	31,351	33,966	4,562
Postal Insurance and Life Annuity Fund .. ..	8,00,68,393	1,09,48,462	55,49,549	8,54,67,306
Staff Benefit Fund .. ..	9,48,175	8,20,934	9,15,378	8,53,731
Cemetery Endowment Fund ..	7,41,146	17,240	1,163	7,57,223
Total Unfunded Debt ..	2,30,02,39,993	71,10,50,552	71,82,23,465	2,29,30,67,080
Total Debt and other Interest bearing Obligations ..	11,74,74,48,110	3,28,31,59,352	3,23,98,02,458	11,79,08,05,004

(a) Differs from last year's closing balance by reason of correction since made.



**No. 4.—STATEMENT OF LOANS AND ADVANCES SHOWING THE AMOUNTS ADVANCED AND REPAYED, INTEREST RECEIVED DURING THE YEAR AND THE BALANCES OF SUCH LOANS AND ADVANCES AT THE COMMENCEMENT AND CLOSE OF THE YEAR.**

FINANCE ACCOUNTS. CENTRAL GOVERNMENT.

Major Heads and Minor Heads.	Balance on 1st April 1938.	Amount advanced during the year.	Total	Amount re- paid during the year.	Balance on 31st March 1939.	Interest received and credited to Revenue.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>Advances to Provincial Governments—</b>						
Madras .. ..	7,49,93,508	..	7,49,93,508	5,60,785	7,44,32,723	33,68,469
Bombay .. ..	32,39,86,705	..	32,39,86,705	60,13,110	31,79,73,595	1,51,02,523
United Provinces .. ..	25,41,02,551	..	25,41,02,551	21,78,477	25,19,24,074	1,01,42,533
Punjab .. ..	26,73,98,175	..	26,73,98,175	14,35,140	26,59,63,035	1,01,81,718
Central Provinces and Berar .. ..	3,27,88,896	..	3,27,88,896	2,45,188	3,25,43,708	14,72,772
Assam .. ..	(a) 30,65,243	..	30,65,243	30,65,243	..	15,491
Sind .. ..	29,03,13,439	..	29,03,13,439	7,45,289	28,95,68,150	1,32,40,826
Coorg .. ..	5,09,244	..	5,09,244	1,04,686	4,04,558	16,413
<b>Total</b> .. ..	(a) 1,24,71,57,761	..	1,24,71,57,761	1,43,47,018	1,23,28,09,843	5,35,46,748
<b>Advances to Crown Representative for Loans to Indian States, etc.</b> .. ..	..	62,000	62,000	900	61,100	..
<b>Loans to Indian States</b> .. ..	12,87,89,217	..	12,87,89,217	1,36,37,523	11,51,51,694	5,58,076
<b>Loans to Local Funds—</b>						
Loans to Major Port Trusts and Port Funds.	6,50,07,767	30,00,000	6,80,07,767	21,50,499	6,65,17,268	28,91,308

(a) Differs from last year's figures by reason of correction of No. 1.

Loans to Municipalities ..	75,67,942	8,25,000	83,92,942	4,33,823	79,59,119	3,20,771
Loans to District and other Local Fund Committees ..	41,04,012	29,50,000	71,14,012	42,074	70,71,938	2,12,201
Loans to Landholders and other Notabilities ..	80,680	..	80,680	16,107	64,573	4,377
Loans to Railway Companies ..	20,10,000	..	20,10,000	...	20,10,000	80,400
Advances to cultivators ..	16,88,151	3,33,703	20,21,854	1,58,793	18,63,061	40,013
Advances under Special Laws ..	34,96,847	..	34,96,847	34,800	34,01,987	1,08,972
Miscellaneous Loans and Advances	10,33,507	1,05,184	11,38,691	1,87,259	9,51,432	52,721
Total ..	8,51,08,906	78,13,887	9,29,22,793	30,23,415	8,98,99,378	37,70,763

## Loans to Government Servants—

House-building Advances ..	16,82,702	40,629	17,29,331	7,30,237	9,99,094	1,65,939
Advances for the purchase of Motor cars ..	23,51,533	8,283	23,59,816	14,46,604	9,13,152	1,14,581
Advances for the purchase of other conveyances ..	75,878	—1,625	74,253	54,849	19,404	3,144
Passage Advances ..	61,707	39,588	1,01,295	36,781	64,514	3,186
Other Advances ..	142	..	142	157	—15	385
Total ..	41,71,962	92,875	42,64,837	22,68,688	19,96,149	2,87,238
GRAND TOTAL ..	1,46,52,27,846	79,68,762	1,47,31,96,608	3,32,78,444	1,43,99,18,104	5,81,62,822



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